

# The NATIONAL UNDERWRITER

62nd Year, No. 11

—The National Weekly Newspaper of Life Insurance—

March 15, 1958

## Companies Denounce Treasury Move To Deny Bank-Loan Tax Deductions

WASHINGTON—Opposition to recommendations to reinstate a premium payment test and to prohibit income tax deductions for interest on bank financed life insurance was expressed in a statement presented to senate finance committee by American Life Convention and Life Insurance Assn. of America.

These recommendations had been made by the Treasury Department in connection with senate consideration of the technical amendments bill, which passed the House in January. The two associations pointed out that both changes were urged by the department in 1956 and were rejected at that time by the congressional joint committee on internal revenue taxation and by the subcommittee on internal revenue taxation of the House ways and means committee.

The premium payment test adopted in 1942 and removed by Congress in 1954, required for tax purposes the inclusion in gross estate of the proceeds of life insurance regardless of the ownership of the policy, if the insured paid the premiums. The bank-loan plan proposal would extend the present law to disallow an income tax de-

duction for interest paid on indebtedness incurred to purchase a life insurance policy as part of a plan to pay a substantial number of premiums with the borrowed funds.

The ALC-LIA statement said: "The premium payment test singles out life insurance for unique and discriminatory treatment under the estate tax. No other form of property is subjected to the estate tax when the decedent has transferred such property prior to his death and not in contemplation thereof, as that term is defined in the code.

### Hurts Small Business Man

"If the premium payment test should be restored," the statement continued, "the use of life insurance by the small business man for the continuation of his business would involve substantial additional expense. This is so because the small business man, who usually is without securities or other property, cannot arrange for the acquisition by his family of insurance on his life without subjecting it to taxation in his estate. For example, in the case of a small business with a taxable value of \$200,-

000, under the premium payment test the heirs would be required to purchase approximately \$20,000 more life insurance to provide for estate taxes.

"The premium payment test clearly imposes a special burden on life insurance inconsistent with the original purposes of the estate tax with the treatment of any other type of property. Its harshest impact is upon the estate of moderate size, not just because life insurance is the traditional backbone of the savings of the moderate and small property owner but also because the very wealthy person is able to avoid the maximum impact of the tax. The usefulness of insurance, in family planning and for business purposes, would be impaired by this discriminatory treatment. The premium payment test should not be again imposed."

In explaining its opposition to the Treasury's proposal affecting the bank-loan plans, the ALC-LIA statement declared:

"Life insurance companies take the position that no proposal should be adopted which would impair the normal use of borrowed funds by those in

(CONTINUED FROM PAGE 39)

## Senators Try To Kill Mills Bill By Over-All Tax Cut

### Anderson, Douglas, Gore Use \$5 Billion Cut In Federal Levies As Club

WASHINGTON—The House passed Mills bill continuing the present income tax law applicable to life companies so it will apply to 1957 income ran into tough opposition from Senators Anderson of New Mexico, Douglas of Illinois, Gore of Tennessee, and Williams of Delaware, who tried to torpedo it by tacking on an amendment calling for a \$5 billion general tax cut.

Delayed a day, Senate debate on the bill was slated for Thursday but at press time the Senators had not gotten to it.

The Senators' strategy was to embarrass their fellow-Senators who might be disposed to vote for the Mills bill but might feel the proposed tax cut to be unsound until there are further indications of how far the present recession is likely to go. The tax cut would consist of about \$3½ billion in personal income taxes due to raising the personal exemption to \$650 from the present \$600 and lowering the tax rate on the first \$1,000 of earned income, while the remainder would be made up of reduced excise taxes, particularly on automobiles.

### Suggested Newspaper Attack

It is definitely known now that it was Sen. Anderson who suggested to newspaper columnist Drew Pearson that he attack the Mills bill on the ground that it constituted a special windfall for the life companies, since if it were not enacted the 1942 law would automatically go into effect and cost the companies some \$125 million more in taxes on their 1957 income. Sen. Anderson, incidentally, was incorrectly described by Pearson as a life insurance man. He is the principal owner of a small New Mexico casualty company but his only connection with the life insurance business was many years ago, when for a time he was

(CONTINUED ON PAGE 4)

## Treasury's 'Tax-Free Inside Build-Up' Found More Elusive Than A Greased Pig

By ROBERT B. MITCHELL

Pinning down a drop of mercury with your finger, hanging on to a greased pig, snaring the will-o'-the-wisp—all these are simple compared with getting a firm grasp on the elusive thing that the Treasury has chosen to call the "tax-free inside build-up" in life insurance policies.

There's no trouble understanding what Dan Throop Smith, deputy to the Secretary of the Treasury, means when he refers to the "inside build-up," as he did in his recent Senate finance committee testimony. It's the accumulation of interest and dividend earnings on investments that helps to swell the reserve behind each policy. The elusive thing is: Is it really analogous to a tax-free municipal bond, as Mr. Smith contends—or is there a distinguishable difference?

### Compared With Municipal Bonds

The crucial point is that the law prohibits an interest deduction if a loan is made to buy a tax-free municipal bond—a restriction most people would probably readily concede to be fair. The law also sets up the same road-block for single-premium life insurance, but the reasoning there is not so clear. A lot of people would contend that there is no more justification for denying the interest deduction to financed single-premium policies than to any other insurance.

If Mr. Smith can convince Congress

that buying life insurance under a plan for borrowing "substantial number" of premiums is on all fours with borrowing to buy tax-free municipals, he'll have scored a big point. And if he wins, his victory would go far beyond the lush but relatively limited market for financed life insurance.

The big worry is that the necessarily cumbersome legislation and/or regulations would work unintended hardship on policyholders wanting to borrow for purposes other than a "systematic plan" for paying premiums by loans.

Almost equally as big a worry is that even if an amendment were so painstakingly drawn as to keep the foregoing from happening, the law's very complexity would make many policyholders hesitate to use their loan privilege for fear of having to prove to the Internal Revenue Service that they were not doing anything that would cost them the tax-deduction right.

The Treasury's inside build-up argument appears to run something like this: A life company's policyholders, in the aggregate, pay in X dollars. They or their estates or beneficiaries get back a total of Y dollars. The latter is the total of pay-ins (X), less all expenses of operation, including taxes, plus all income from investments and other sources except premiums. To the extent that Y minus X is not subject to federal income tax in the recipient's

(CONTINUED ON PAGE 37)

## LAA Slates Apr. 21-22 Round Table In Chicago

The committee for the north central round table to be conducted by Life Advertisers Assn. April 21-22 at the Drake hotel in Chicago is completing plans for a program that will pay tribute to LAA on its 25th anniversary this year. Members from some 60 mid-west life companies, national officers and executive committee members are expected to attend the silver anniversary sessions.

Francis J. O'Brien, vice-president of Franklin Life, is program chairman. Other committee chairmen include Richard Chatfield, Continental Assurance, arrangements; John Currier, Ohio State Life, attendance; Harry Edel, Prudential, publicity; Robert Fontaine, Continental Assurance, general; Mary Hickey, Northwestern Mutual, promotion, and Mrs. Duke Walters, Mutual Trust Life, treasurer.



totaling \$3.6 million on behalf of the field organization. A closed circuit telephone conference was held to thank the agency force for the effort.

President Crawford H. Ellis of Pan-American Life is shown holding an armload of applications written in his honor on the first two days of the president's month campaign held every March. Kenneth D. Hamer, vice-president and agency director, presented Mr. Ellis 373 applications

# Practical Ways To Cut Costs Brought Out At Seminar Sponsored By S.M.U. Springfield F.&M. And Monarch Life Plan Affiliation

The life company management seminar put on recently for 42 Texas companies by the Southern Methodist University, Institute of Insurance Marketing disclosed a lively interest in practical ways of cutting down the ever-mounting cost of office operations. A feature of the seminar, attended by 60 registrants, was a 6-hour joint presentation by Edward F. O'Toole, president, and Raymond J. O'Toole, executive vice-president, of O'Toole Associates, management consultants of Queens Village, N. Y. Following are the main points covered in the presentation and the panel discussions which followed.

One of the primary things the participants were interested in was how to plan the correct placement of functions, tasks and duties involved in company administration. They wanted to know, for example, what should be the placement of the various functions under each of the principal senior officers. Other questions on organization dealt with how many employees should be supervised by a particular supervisor; whether or not there should be a committee form of planning and personnel activity—or these functions should be assigned to individuals; if so, should the same individual handle them or should they be assigned to different individuals.

Panel questions ranged from such

things as requests for explanations of the underlying principles of forms, analysis and control, to matters of general administrative policy. For example, they were interested in seeing how one medium-sized company was able to save approximately \$10,000 a year in stenographic salaries by the simple expedient of dropping what had been a long-standing policy of either answering or acknowledging all letters within 24 hours of receipt. Just by amending that policy so that answers were sent as expeditiously as possible, with a proviso that an interim letter would be sent if there had to be a lengthy delay in answering, it was found possible to cut down the stenographic pool by three girls.

Another company furnished complete monthly reports to all general agents on their production and persistency standings, including a breakdown covering each sub-agent in the agency, and giving cumulative persistency figures for the previous 12 months and a number of other details of agency analysis. By furnishing the information every six months instead, and by simplifying this report, the company was able to eliminate a rather high-priced statistical operation.

These examples illustrate how changes in administrative policy can effect significant and favorable changes in the expense situation.

## Debate Cutting 'Phone Privileges

The elimination of long-distance telephone privileges came in for considerable debate. Companies were divided as to how they should go about doing that, because against the expense saved must be balanced the factors of agency morale and effectiveness. But the general premise on which the companies mostly were

(CONTINUED ON PAGE 32)

## J. Z. Schneider Is Candidate For NALU Board Of Trustees

BALTIMORE—John Z. Schneider, manager here for Connecticut General Life and chairman of the National Assn. of Life Underwriters federal law and legislation committee, has been endorsed for NALU trustee by Maryland Assn. of Life Underwriters. In addition, the Baltimore association and the suburban Maryland association of Silver Spring, two of the state's largest associations, have submitted resolutions of endorsement. Similar endorsements by all other local associations in the state have been pledged in his support.

Mr. Schneider has served the state association as its first national committeeman and member of its law and legislation committee and by-laws committee. He served as president of the Baltimore association and is currently its national committeeman. He is president of the Baltimore General Agents & Managers Round Table.

Mr. Schneider holds a law degree from University of Baltimore and before entering life insurance he was in the trust business with two large Baltimore banks. Besides serving as federal L&L chairman of NALU he is on the NALU committees on social security, relations with attorneys, and field practices.

## Cardinal Life Progresses

Cardinal Life of Louisville has reached the \$20 million in force mark, President S. H. Goebel reported. Stockholders have approved a five for one split and retirement of the \$10 preferred stock, transferring voting rights from preferred to common.



John B. Hunter (right), assistant manager of John Hancock's Boston Group office, is shown accepting the group trophy from Vice-president Philip H. Peters. Boston led all group offices of the company and all group offices in class A in 1957. Members of the office were honored at a dinner where the awards were made.

## Tells Advantages Of Pre-induction Training

"Pre-induction training" is one of the best of all personnel selection devices and a "must" under today's conditions, said Ralph C. Timborn, Fidelity Mutual general agent, Dayton, at the February meeting of General Agents & Managers Assn. of Indianapolis.

Pre-induction training, from one to three months depending on the time available, permits non-financed observation of a potential recruit and thus saves financing dollars, he said. Because the non-productive phases of training—license qualification study, rate-book instruction, and the like—can be given during pre-induction training, the early weeks of basic training after contracting can be devoted to sales ideas, creating more enthusiasm, and allowing the recruit to enter the field sooner.

Mr. Timborn reported that in his

## U. S. Life To Move To New Skyscraper In N. Y. Next Year

Picture on page 5

United States Life has leased 40% of a \$10 million, 17-story building to be constructed on the block bounded by Maiden lane, Pearl, Water and Fletcher streets in the downtown New York insurance district.

Under a 21-year lease, the company will occupy the third, fifth, sixth and ninth floors and half the fourth and eighth floors, amounting to 100,000 square feet of office area. It has taken options on additional space.

Work is scheduled to begin this month to make the structure ready for occupancy in May, 1959. It will have a high velocity induction air conditioning system and high speed electronically controlled elevators. The facade will be limestone and brick. It is designed for insurance companies. Negotiations are underway with two other insurers for the remainder of the office space.

To be known as the "United States Life building," it will be two blocks from the present home office at 84 William street. The address will be 125 Maiden lane.

National Properties, Inc., and Collins, Tuttle & Co. are sponsors of the project. The site, consisting of 20,000 square feet, was purchased from Continental Casualty.

pre-induction training he not only covers license study and rate-book work but also teaches a prospecting talk, operation of a prospect file, and two sales tracks—a package sale and simple programming. In his agency, the training program consists of one to three months of pre-induction, six months of basic or advanced courses as the inductee is ready, and continuous training to lead a man into new fields for which he shows interest or aptitude.

Directors of Springfield F.&M. and Monarch Life, both of Springfield, Mass., have approved a proposal for affiliation of the two companies. Under the proposed plan, Monarch Life will continue as a separate company with its present management and basis of operation.

Stockholders of Monarch would get 1 1/4 shares of Springfield common for each share of Monarch owned. Capitalization of Springfield would be changed to comprise 70,000 shares of new preferred stock and 2 million shares of \$2 par value common. One million of the latter would be exchanged for the 800,000 shares of Monarch stock presently outstanding.

The remaining 1 million shares of Springfield common will consist of the 700,000 shares presently held by Springfield stockholders and 300,000 shares to be paid Springfield stockholders as a stock dividend prior to the proposed exchange of stock.

Present shareholders of Springfield also will receive one share of new preferred stock for each 10 shares of the present stock owned by them. The preferred will provide for a \$6.50 dividend.

It is contemplated that the new preferred stock of Springfield would not be redeemable until after three years, and that redemption would be further restricted for the fourth and fifth years after its issue to not exceeding 10% each year. The call price would be \$102 per share.

The proposed affiliation by exchange of stock is contingent upon acceptance by 80% of the outstanding shares of Monarch and approval by Springfield stockholders. The proposal will be made by Springfield to its stockholders soon.

At last year end Springfield F.&M. group had assets of more than \$120 million, policyholders surplus of more than \$48 million, and written premiums for the year of more than \$58 million in general fire and casualty lines.

On Dec. 31 Monarch had assets of \$77,520,136, a gain of \$8.9 million over 1956. The company had \$20,659,412 in A&S premiums in 1957, \$4,864,867 of it in new business, a new record. New life insurance sales also established a record, \$105,676,482, an increase of 21.4%, and brought the company's in force to \$444,729,097, an increase of 16.7%.

## Farmers New World Life Premium Income Up 12%

A 12% increase in total premium income and a gain of 6% in net income investment has been reported by Farmers New World Life of Seattle for 1957.

The net gain from operations, after provision for claims, expenses special reserves and taxes, amounted to \$159,418 compared with \$115,027 in 1956. Total claims and expenses generally were held to 1956 levels in spite of an increased volume of new business.

New life insurance paid for in '57 amounted to \$58,546,400, a gain of 43% over the previous year. In December the company announced attainment of the \$200 million in force mark. Total assets now stand at \$37,895,000.

It's part of living to raise a family...



PHOTO BY YLLA. FRAMEABLE 11 X 14 INCH REPRODUCTION FREE ON REQUEST

## Life Insurance for Living makes the job easier!

It's far easier to make sure your family is well protected, well housed, well educated with life insurance designed for *living*. Look at N/W National's new Whole Life policy with *Quantity Savings*. It offers you:

**Economy.** Premiums, low to begin with, are made lower by N/W National's thrifty *Quantity Savings* feature . . . the more insurance you buy, the lower your cost per unit.

**Disability protection.** Like all N/W National policies, this new policy contains built-in Waiver of Premium. If accident or illness should disable you permanently before age 60, premiums will be paid for you during your entire disability.

**Substantial cash values.** Because this is permanent insurance, the Whole Life with *Quantity*

*Savings* helps you build a nest egg for any emergency or opportunity.

Payment may be arranged on N/W National's exclusive Budg-O-Matic plan. This gives you the carefree convenience of automatic monthly payments which take care of your future premiums as they come due.

Your N/W National agent can show you why "you don't have to die to win" with modern life insurance.

© 1958 NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY, MINNEAPOLIS, MINN.

**N/W NATIONAL**  
*Life Insurance for Living*

Currently appearing in the *Saturday Evening Post* and leading metropolitan newspapers.

## Try To Kill Mills Bill With Tax Cut

(CONTINUED FROM PAGE 1)

general agent at Albuquerque for Peninsular Life of Florida.

The bill extending the Mills law to cover 1957 income was approved by the Senate finance committee at a closed session, following testimony by life insurance industry leaders and opposition from Sen. Anderson of New Mexico and Sen. Gore of Tennessee.

Sen. Anderson took the position that the 1942 law—automatically applicable in the absence of action by Congress—was the law of the land and consequently any extension of the Mills law would constitute retroactive tax relief. He objected that this would save the companies some \$125 million on 1957 taxes, the difference between the \$415 million payable under the 1942 law and the \$290 million payable under the Mills law.

### Newspapermen Take Same Line

Various newspaper correspondents took this same line, some calling it a rebate, even though the 1942 law has long been admitted to be wholly unsuitable, even by the Treasury, which agreed to go along with the Mills law for 1957 income. The Mills law applied also to 1955 and 1956 income.

Appearing at the hearing for American Life Convention, Life Insurance Assn. of America, and Life Insurers Conference, President Deane C. Davis of National Life of Vermont, chairman of the joint ALC-LIA-LIC committee on federal income taxation, said the Mills law was the result of long and careful consideration of the life insurance tax problem by a special House ways and means subcommittee and congressional staffs and was adopted as the most equitable and practical method of taxing the companies that had been devised in many decades of legislative history. He urged that the Mills law be continued in effect until full hearings can be held on proposals for permanent legislation.

Mr. Davis pointed out that while the companies' investment income tripled between 1942 and 1957, the 1942 law, if applied to 1957 income, would result in a tax burden of \$415 million, in contrast to the \$27 million they paid in 1942—a tax 15 times as heavy.

If the 1950 law were applied to 1957 taxes, the companies would pay \$542 million in contrast to the \$72 million they paid in 1950, boosting the tax load 650%, even though investment income rose only 92% during the period.

"Does one need further proof to demonstrate that there must be something wrong with a formula such as in the 1950 law, which produces a 650% increase in the rate of tax based on a 92% increase in rate of income?" Mr. Davis asked.

"I assure you there is nothing that the life insurance industry wants and needs more than an early solution and enactment of a permanent formula," Mr. Davis stated. "As it is, we do not know what our surplus is at the end of the year, nor what dividends we can safely distribute to policyholders. These uncertainties affect nearly all phases of our planning. On the other hand, we are just as anxious that this permanent solution shall be one that is sound in principle, workable in practice, and will fall with as nearly equal impact upon all of the policyholders of all companies as is humanly possible."

### Outlines 11 Principles

Mr. Davis outlined 11 principles which, he said, provide a framework within which a permanent federal tax formula should be enacted:

1. That the only proper taxable income in a life company is investment income.
2. The tax formula should be so constructed that the emerging taxes will fluctuate from year to year only in reasonable relationship with such income.
3. The tax must not be so high that any life company will be unable to maintain its reserves in accordance with the requirements of state regulatory law.
4. The tax should not be so high as to prevent any company from maintaining reasonable margins of safety above the level of its statutory reserves as historically recognized by state law and administrative practice.
5. The burden of the tax must fall with equal impact upon policyholders

regardless of the type or size of company in which they are insured.

6. The burden on the savings of life insurance policyholders should be no heavier than the burden on savers who use other thrift institutions.

7. In fixing the tax level there should be taken into account the unique and high taxes imposed in the various states upon life insurance as compared with other thrift institutions.

8. The tax must not give any company—mutual or stock—an undue competitive advantage by reason of size or type.

9. The formula should be one which does not place a premium upon unsound management decision.

10. In order to encourage the establishment and development of new companies, recognition should be given to the special problems of such companies during their early years.

11. The law should apply only to organizations which in fact, not merely in form, are primarily life insurance companies.

### Is More Heavily Taxed

Mr. Davis said that life insurance is more heavily taxed than any other form of thrift, and pointed out that in Canada and Great Britain, the social significance of life insurance is given greater tax recognition than it is in the United States. No income tax is levied on mutual life companies in Canada, he said, and in Great Britain, policyholders are given a personal income tax deduction of 40% of the premiums they pay up to one-sixth of their income.

Also speaking for ALC-LIA-LIC, President Charles A. Taylor of Life of Virginia emphasized that the burden of life companies under the Mills law and state premium tax laws is already heavy and that it is unfair to judge their tax load by looking at federal income taxes alone. He also stressed the fact that either the 1942 or 1950 laws would increase the tax burden of the small companies to a greater degree than for the larger ones. For example, a company with investment income of \$100 million would pay 49.2% more under the 1942 law than under the Mills law; but a company with an investment income of \$500,000 would face a tax rise of 94.8%.

Mr. Taylor criticized both the 1942

and 1950 laws as being unsound because based on the theory that a proper measure of taxable income is the excess of net investment income earned over the interest required to maintain reserves.

"The 1950 law and, to a lesser extent, the 1942 law, place a premium on holding smaller reserves and margins," he said. "This I am sure, is not in the public interest."

### Urges Similar Treatment

Mr. Taylor urged that both mutual and stock life companies be similarly treated by whatever method Congress might adopt. This would help continue competition between the two types of companies and encourage both to set aside supplemental reserves for the protection of policyholders. He emphasized that it is desirable that both types of companies set aside surplus to supplement required reserves.

"Much of what we call 'surplus' in the life insurance business is much closer to what is usually termed a reserve in other business than to true surplus," he said. "Some of the reasons for this are:

"1. The possibility that under changed conditions, prudence may require a program of reserve strengthening.

"2. Recognition of the fact that the 'contingent liabilities' of a life insurance company are enormous. Our life insurance in force can be looked upon as a 'contingent liability' and is generally many times greater than our total assets and very many times greater than our surplus and other safety margin funds.

### Fluctuations Can Occur

"3. Recognition of the fact that big temporary fluctuations can occur in our mortality rates and that conservative policy reserves make little provision for such 'catastrophic' calls on our emergency resources. If, for example, the 'Asiatic flu' epidemic of last year had been a genuine killer, as the 'Spanish flu' was 40 years ago, there would be no need for arguing that life insurance companies need large 'surplus' funds. The need would be painfully apparent to all.

"4. As long term investors, we must assume that we will have both periods of great fluctuations in the values of our assets, and periods of bad business in which we will have to suffer substantial asset losses.

"5. Recognition of the fact that expenses may well rise, under inflationary pressures, beyond the ability of future premiums on old business to absorb them."

### Cites Precedents For Passage

General Counsel Eugene M. Thore of LIA cited precedents for passing the Mills bill even though it operated retroactively. He mentioned two actions in particular by the Senate finance committee establishing that where legislation is considered and enacted shortly after the end of a tax year the committee did not consider such action to be opposed to public policy, on the ground that taxpayers involved were on notice that the legislation was being considered for the tax year in question.

There could be no question, he said, that the life companies knew that an extension of the Mills formula was being actively advanced and on the basis of past experience they had reason to believe that if permanent legislation were not adopted stop-gap legislation would be considered between Jan. 1 and the March 15, 1958, return date.

## Knights of Columbus

Established 1882—more than a million members

New all time highs in all phases of our program

	January 1, 1957	January 1, 1958	Increase
Subordinate Councils	3,867	4,056	189
Columbus Squire Circles	403	480	77
Membership	1,018,218	1,059,668	41,450
Insurance Members	362,397	379,583	17,186
Associate Members	655,821	680,085	24,264
Insurance in Force	\$635,253,582	\$729,702,811	\$94,449,229
Assets	\$118,282,270	\$128,692,301	\$10,410,031
Benefits Paid	\$119,913,962	\$128,020,096	\$8,206,134

Joseph F. Lamb  
Supreme Secretary

71 Meadow Street  
New Haven, Conn.

Luke E. Hart  
Supreme Knight

## Schaaff Lists 12 Areas Which GAs Should Master

Twelve areas of activity in which general agents and managers should succeed are enumerated and described by Charles H. Schaaff, executive vice-president of Massachusetts Mutual, at a meeting of Los Angeles General Agents & Managers Assn.



Charles H. Schaaff

A manager must have a strong belief in life insurance and the career of a life agent in relation to a definite plan of agency development. Over-all planning is essential. He must know agency costs in order to budget. Although agency management is sales management, the agency manager must keep costs under control, Mr. Schaaff said.

Furthermore, he must be able to manage himself, to balance his personal schedule in order to give proper attention to his health, recreational and social responsibilities.

Mr. Schaaff said the manager must be a real sales manager by being a leader in self-improvement, confidence and morale and to take the lead by example. Also, too many managers, he said, forget that they are sales managers and busy themselves with minor details of office management.

In his relations with the home office, he must emphasize honesty, cooperation and constantly strive to effect economies and to submit new ideas from the field. He should be familiar with clerical details, but should keep in mind that his job is sales, not clerical. He must keep close relations with his supervisor, since the training supervisor is a key man and is responsible for keeping turn-over at a minimum.

Although maintaining close relations with policyholders and the general public is an important activity of the manager, Mr. Schaaff said the clerical staff can handle most of the routine matters. Relations with the community must be kept in balance with regular office duties.

In order to earn the loyalty of veteran members of his organization, the

manager must pay a great deal of attention to these people, he declared. He must also remove misfits as quickly as possible.

The final activity listed by Mr. Schaaff and one which he said was probably the most important was in establishing new career agents. This would encompass guiding the new agent in philosophy of the agency, objectives, prospecting for recruits, hiring, training and over-all supervision.

## NALU Urges Candidates To File Papers Before March 23-27 Midyear

Local associations wishing to sponsor candidates for election as officers or trustees of National Assn. of Life Underwriters should submit their endorsing material promptly so it can be considered by the nominating committee at NALU's midyear meeting March 23-27 at Birmingham.

Although the associations may not be able to send all the formal resolutions in time for the meeting, it will be advantageous to the candidates if the relatively simple "recommendation for nomination" is submitted, according to Herbert R. Hill, manager of Life of Virginia at Richmond and chairman of the committee. The committee will set a deadline for receiving completed nomination portfolios and later will select a slate. The election will be held at the annual meeting at Dallas in September.

### List Current Candidates

Trustee candidates to date are Robert Clayton, Liberty National Life, Mobile; Paul Green, Aetna Life, Seattle; Forest McConnel, Western Life, Anchorage, Alaska; John Z. Schneider, Connecticut General, Baltimore, and R. Edwin Wood, Phoenix Mutual, San Francisco.

William E. North, New York Life, Evanston, is a candidate for secretary.

General agencies of New England Life with more than \$200 million of insurance in force are Summers and Hays in Boston and Byrnes at New York. Agencies with more than \$100 million in force are Marks, Schmidt and King at New York; Hays and Bare at Los Angeles; Swanson and Behrens at Chicago; Weber at Cleveland; Pomeroy at Detroit; Bowes & Joseph at Newark; Armstrong at Philadelphia, and Wadsworth at Buffalo. Twenty-one agencies have more than \$50 million in force.



United States Life has leased 40% of a \$10 million, 17-story building to be constructed in the downtown New York insurance district, two blocks from its present home office. A drawing of the structure, slated for occupancy in May, 1959, is shown above. To be known as the "United States Life building," it will be at 125 Maiden lane, two blocks from the present home office at 84 William street. It is on a site purchased from Continental Casualty. The structure, with a facade of limestone and brick, is designed for insurance companies.

CENTRAL LIFE A leader and . . .

# ONE OF THE BEST

- Preferred Combination Life (PCL)  
... with true graduated premium!
- Disability Income Continuance (DIC)  
... revolutionary new disability income!
- Preferred Investment Plan (PIP)  
... premium return and dividend profits!
- Wife Insurance Plan (WIP)  
... with more protection when it's needed!
- Family Insurance Plan (FIP)  
... WIP plus children 14 days to 25 years!
- Family Instalment Group (FIG)  
... one monthly payment for all premiums!

All introduced by ONE OF THE BEST

*Central Life*

ASSURANCE COMPANY, DES MOINES 6, IOWA  
Progressive and competitive, yes, . . . but not

at the expense of financial security

ASSETS	\$155 Million
SURPLUS	\$ 13 Million
INFORCE	\$500 Million

## SHOW 1957 INSURANCE RESULTS

	1957 New Business	1956 New Business	1957 Increase in Insurance In Force	1956 Increase in Insurance In Force
American National	\$882,053,967	\$704,952,344	403,308,034	324,192,670
American United Life	261,091,311	172,584,009	161,135,839	81,566,876
Canada Life	509,870,833	448,919,351	339,926,847	309,555,640
Commonwealth Life	208,432,569	198,348,244	94,192,854	109,586,033
Confederation Life Assn.	293,405,665	277,710,472	162,494,899	213,481,017
Cuna Mutual Society, Wis.	99,653,499	124,725,360	727,350,376	566,610,755
Equitable Society	3,263,845,815	3,054,333,037	3,011,035,113	3,056,053,589
Fidelity Mutual Life, Pa.	124,395,425	115,949,183	76,809,254	74,856,148
General American Life, Mo.	381,428,727	313,876,597	350,704,971	219,522,133
Guardian Life, N. Y.	214,736,087	172,063,239	121,406,737	84,026,471
Home Life, N. Y.	232,217,082	203,650,533	140,886,229	151,375,322
Imperial Life Assurance, Can.	120,419,957	111,935,830	80,885,396	85,875,676
Independent Life & Accident	626,126,698	543,374,466	88,487,565	59,692,597
Liberty Life, S. C.	196,434,626	174,534,778	74,945,545	70,066,418
Life of Georgia	453,021,759	472,189,087	112,194,621	111,430,826
Lincoln National Life	1,354,810,302	1,243,934,229	710,440,106	593,457,646
Manufacturers Life, Can.	420,227,473	396,338,723	167,663,181	230,340,375
Minnesota Mutual Life	283,752,348	264,404,861	189,010,535	161,756,492
Monumental Life	156,089,744	131,469,511	65,323,759	61,399,346
Mutual of N. Y.	326,793,063	655,661,364	496,831,290	383,987,993
New England Mutual Life	891,357,565	857,942,396	573,234,914	587,676,774
Northwestern Mutual Life	793,659,131	737,671,422	493,229,734	469,370,458
Pan-American Life	187,468,083	148,143,210	137,602,328	93,971,110
Peoples Life	162,278,464	131,180,760	65,348,296	48,434,994
State Farm Life	264,795,646	212,817,162	160,125,475	129,499,479
State Mutual Life	231,954,966	293,094,993	141,008,795	171,781,152
Travelers	2,977,543,299	1,710,032,183	2,983,866,012	1,714,781,152
Union Mutual Life	106,430,708	127,766,610	107,699,316	129,568,591
West Coast Life	56,193,457	53,492,668	17,213,511	53,192,126

New business figures include the following amounts of revivals and increases for 1957 and 1956, respectively: \*\$94,161,707, \$64,324,956, \*\$9,190,897, \$5,321,093, \*\$39,728,234, \$31,618,728, \*\$60,410,024, \$66,042,858.

\*Includes additions to outstanding group policies.

## L.&C. Of Tenn. Life In Force Rose By Peak \$153 Million In 1957

Life insurance in force of Life & Casualty of Tennessee last year climbed to \$1,547,800,000, up a record \$153 million.

Accident insurance in force rose to \$1,128,000,000, up \$46 million. Group coverages in force totaled \$100,786,000. Reinsurance in force increased by \$23,787,000.

Total income was \$53 million, up 5%. Premiums were up \$1,818,000 and investment income was up \$846,000. Assets reached \$253,783,000, up 7.8%. Payments to policyholders and beneficiaries were \$29,155,000. The ratio of net investment income to mean assets before federal income tax was 3.68%, up 14 points.

D. B. Potts, executive vice-president of Wisconsin Casualty Assn., addressed the March meeting of Detroit A&H Underwriters Assn.

## Public Needs Call For More Outlets For Life Insurance: Waggoner

The life insurance industry needs more outlets in order to meet the life insurance requirements of the public, Leland T. Waggoner, agency vice-president of Life of North America, declared to Seattle General Agents & Managers Assn. and CLU chapter.

Statistics prove the public needs more life insurance than it now has,

Mr. Waggoner said. As the public recognizes this, the business must devise ways to meet the needs, or else there will be increased life insurance benefits from the federal government through programs such as social security.

Noting that the need for additional outlets is reflected by the formation of new life companies and by a tremendous surge of interest in life insurance on the part of general insurance men, he said most of the multiple line interest so far has developed at the local agency level.

Much of this has been brought about by the eagerness of life companies to encourage general insurance men to write life insurance. For many years life companies have urged property and casualty men to enter the life field. This has been an important source of brokerage business.

On the other hand, he said, life men have been invading the bailiwick of the property and casualty producer. Both developments have further emphasized the need for writing all lines by the agent or agency wishing to cultivate all markets, render the best service and enjoy the largest commission earnings. Today agents feel that by selling what the public desires they are rendering better service.

### Won't Turn Down Commissions

"Whether we admit it or not" he added, "an increasing number of agents is simply not going to turn down commission checks from any source—any more than many of our home offices have been willing to turn down brokerage business from property and casualty agents."

The trend to one-stop selling will enhance rather than threaten the position of the professionally trained life agent. Although one-stop selling calls for more products, facilities and services in one location, no company or agency or agent can capitalize on this trend unless professional counselling is offered at all times.

He stressed that more companies, more products better priced and more outlets to develop the optimum in discretionary spending will be worthless without professional competence. The new trends in the industry will not kill the professional concept or the life insurance specialist. In fact, the call for competence will be multiplied manifold.

## Ill. Mutual L.&C. Names Two Field Supervisors

Illinois Mutual Life & Casualty of Peoria has appointed Lewis N. Rowe as field supervisor for Nebraska and Fred L. Fister in the same capacity in northwestern Ohio.

Mr. Rowe has been a manager of the life and A&S department of Marcotte agency in Omaha, and Mr. Fister of Columbus, has had 15 years of sales experience in various fields. He was a special agent for life and A&S with Prudential prior to joining Illinois Mutual.

## Standard Of Ore. Amends Charter, Enters Property, Casualty Field

Standard of Oregon has amended its charter in order to write property and casualty lines. The company, which heretofore has operated only in the life field, has not announced plans for its new business.

Ancient Order of United Workmen, Minnesota's oldest fraternal, has changed its name to Early American Life Insurance Association. The A.O.U.W. was organized in 1869 and chartered in Minnesota in 1877.

# 2 ways your client can benefit from the new **MONEY** Discount Plan!



1.

### Buy greater protection at reduced premium rates:

The larger your client's family, the more protection he needs. MONEY's new Discount Plan encourages him to buy the protection he really *should* have, because on nearly all individual life policies with face amounts of \$5,000 and more, MONEY offers him a discount on the premium rate, and a *still larger* discount on policies of \$10,000 and over.

2.

### Budget less for specific needs:

For special-purpose objectives such as college education, MONEY's Discount Plan can provide your client with the specific coverage he needs, but with *lower premium outlay*.



**Lower rates—a discount on larger policies—makes a lot of sense, doesn't it? It will to your client.** For example, MONEY's new Discount Plan will reduce his annual premium rate on a whole life policy by \$1.25 per thousand if the face amount is \$5,000 or over—by \$2.00 when his policy is for \$10,000 and over! His total premium payments may be reduced by *hundreds of dollars over the years*. For example, on a \$10,000 policy he might pay \$400 less in premiums over a 20-year period. (See Discount Table below, at right.) These reductions can play a

vital part in helping your client strengthen his personal insurance program, whatever his primary need. P.S. When talking MONEY's exciting Discount Plan, be sure to explain MONEY-MATIC, MONEY's new, easier, budget program for paying monthly premiums.

For further information about MONEY's exciting new Discount Plan, contact the MONEY representative nearest you, or write Mutual Of New York, Broadway at 55th Street, New York 19, N. Y.

## MUTUAL OF NEW YORK

The Mutual Life Insurance Company Of New York, New York, N.Y.  
Offices located throughout the United States and in Canada

FOR LIFE, ACCIDENT & SICKNESS, AND GROUP INSURANCE  
MONEY TODAY MEANS MONEY TOMORROW!

MONEY'S DISCOUNT TABLE

Face Amount of Policy	Annual Premium Reduction per Thousand	How much less you pay...	
		In 10 Yrs. Premiums	In 20 Yrs. Premiums
\$ 5,000	\$1.25	\$ 62.50	\$125.00
7,000	1.25	87.50	175.00
10,000	2.00	200.00	400.00
15,000	2.00	300.00	600.00
20,000	2.00	400.00	800.00





# ANNUAL STATEMENT of The Lincoln National Life Insurance Company

FORT WAYNE, INDIANA

BALANCE SHEET AS OF DECEMBER 31, 1957, CONDENSED FROM THE REPORT  
FILED WITH THE INDIANA INSURANCE DEPARTMENT

## RESOURCES

	1957
Cash in Bank and Office.....	\$ 11,980,499.08
Bonds and Stocks.....	721,136,204.33
Mortgage Loans.....	372,198,118.91
Loans to Policyholders.....	61,490,994.92
Real Estate.....	50,806,760.70
Interest Due and Accrued.....	8,970,632.27
Net Premiums in Course of Collection.....	26,305,781.28
All Other Resources.....	19,852,776.08

**TOTAL RESOURCES.....\$1,272,741,767.57**

## LIABILITIES

	1957
Policy Reserves.....	\$ 943,076,497.80
Additional Policyholders' Funds.....	41,711,054.74
Prepaid Premiums and Interest.....	16,333,271.13
Claim Reserve.....	13,655,322.94
Reserve for Taxes Payable in Following Year....	7,674,545.23
Reserve for Further Revaluation of Policies.....	50,870,000.00
Mandatory Security Valuation Reserve.....	14,522,329.95
Miscellaneous Contingency Reserves.....	32,323,500.00
All Other Liabilities.....	9,006,184.27
<b>TOTAL LIABILITIES (except capital).....</b>	<b>\$1,129,172,706.06</b>
Capital .....	\$ 20,000,000.00
Unassigned Surplus.....	123,569,061.51
<b>SURPLUS TO PROTECT POLICYHOLDERS...</b>	<b>143,569,061.51</b>

**TOTAL.....\$1,272,741,767.57**

## PROGRESS HIGHLIGHTS

Insurance in force showed a gain during 1957 of \$710,440,016 to a total of \$8,735,950,668.

Admitted assets increased during the year by \$68,139,320 to a total of \$1,272,741,768.

New business during 1957 amounted to \$1,354,810,302. This is the greatest amount of paid business in the Company's history.

Benefits paid during 1957 were \$118,695,362, an increase of \$18,307,074 over 1956.

Accident and sickness premiums earned in 1957 were \$32,681,236, an increase of \$9,017,150 over 1956.

The surplus to protect policyholders increased \$18,331,239 during the year to a total of \$143,569,062.

*Note: This balance sheet is applicable in all states except New Jersey, Colorado, and Massachusetts.  
In these three states, by reason of certain statutory requirements, it is subject to slight variation.*

# Figures From Life Companies' Year-End Statements Shown

	Total Assets	Increase in Assets	Surplus to Policyholders	New Bus. 1957	Ins. in Force Dec. 31, 1957	Increase in Ins. in Force	Prem. Income 1957	Benefits Paid 1957
All American, La.	4,201,429	196,049	723,396	137,253,431	218,033,003	8,592,042	2,930,797	1,328,076
Alliance Mutual, Canada <sup>a</sup>	26,107,527	2,007,085	7,636,556	32,383,450	127,138,656	30,435,968	3,638,238	1,737,350
American Bankers Life, Fla.	3,712,191	1,058,797	579,118	116,054,173	188,001,509	58,073,900	7,254,503	1,286,340
American General Life	57,091,454	6,144,464	5,473,319	90,662,807 <sup>b</sup>	433,118,917	56,593,618	11,499,189	4,014,021
American H. & L., Tex.	10,862,604	2,596,301	1,533,500	41,828,023 <sup>c</sup>	145,778,229	41,573,004	7,500,758	4,390,084
American Life, Ala.	21,212,833	688,174	4,256,378	193,724,037	245,577,218	60,191,412	6,709,038	2,199,712
American Mutual Life, Ia.	59,599,234	2,932,967	4,167,680	43,612,772 <sup>d</sup>	268,415,020	23,881,298	6,516,242	3,143,519
American National, Tex.	667,904,603	40,118,764	882,053,967	4,165,943,383	403,308,034	97,972,882	97,972,882	34,276,396
Amicable Life	52,550,489	2,539,509	1,775,049	47,753,478	271,245,512	19,877,158	6,521,016	2,658,830
Atlantic Life	96,731,857	4,617,388	8,426,203	115,021,292	427,014,543	42,055,462	12,896,183	6,200,870
Baltimore Life	64,905,188	4,040,938	4,328,819	91,579,810	363,230,146	45,048,583	11,385,787	4,750,348
Bankers Life of Iowa	913,319,793	64,051,618	63,316,468	479,597,269 <sup>e</sup>	2,984,251,277	341,153,534	112,383,175	69,352,669
Bankers Life of Neb.	110,990,403	7,943,316	8,033,617	101,787,752	537,159,882	63,939,404	13,281,743	5,252,965
Bankers National Life	67,432,942	4,945,844	6,403,353	81,296,643	480,494,066	82,380,768	11,960,132	5,587,697
B.A.R.E.	21,458,060	1,149,196	4,146,664	22,113,165	297,299,780	13,779,808	24,826,470	18,390,957
Berkshire Life	182,148,988	10,158,318	10,069,675	60,971,523 <sup>b</sup>	552,505,193	31,432,940	17,357,723	11,736,558
Cal.-Western States	194,047,688	10,285,494	26,086,890	516,064,945	1,982,553,891	520,491,084	46,202,686	30,681,553
Capitol Life, Colo.	38,641,180	3,164,996	2,494,584	70,831,658	285,055,047	87,240,900	6,399,131	3,536,756
Carolina Life	41,073,700	3,486,235	6,021,621	97,182,676	325,569,425	15,765,710	2,835,017	2,835,017
Cavalier Life	16,265,915	10,427,868	10,393,665	8,268,934	553,809,109	3,620,597	9,738,307	2,484,324
Central Life of Iowa	154,987,043	6,745,221	13,260,464	66,416,218 <sup>b</sup>	499,977,319	34,682,756	11,989,283	7,210,173
Central Natl. Life of Omaha	103,063,463	5,402,481	1,174,809	80,675,600 <sup>b</sup>	197,602,616	34,861,180	3,024,018	1,031,911
Central Standard Life	104,946,260	1,790,474	12,463,017	42,465,013	362,287,260	3,204,949	8,571,334	5,417,468
Century Life, Tex.	14,317,019	1,124,466	676,400	20,461,510	87,032,093	11,909,959	2,689,539	988,221
Coastal States Life, Ga.	20,233,079	2,914,433	961,912	37,463,284	190,845,811	47,202,708	6,698,156	1,205,445
Colonial Life, N. J.	77,529,611	4,960,086	4,667,626	69,819,069	457,890,554	31,170,832	12,933,662	5,037,758
Columbus Mutual Life	134,883,105	8,201,563	14,146,501	65,406,162	479,919,138	31,576,241	13,560,244	5,359,308
Commonwealth L.A.	11,443,283	1,382,597	3,974,067	100,001,561	98,959,383	1,516,429	8,481,835	2,399,761
Commonwealth Life, Ky.	141,106,964	13,042,157	33,029	213,671,236	1,099,252,428	94,192,854	25,914,429	7,514,042
Companion Life	5,814,756	805,500	1,443,717	12,821,623	163,039,232	22,926,558	2,708,002	1,281,103
Continental American Life, Del.	98,209,761	4,434,350	9,438,136	69,113,593 <sup>b</sup>	418,417,780	27,471,192	10,593,910	5,151,781
Continental Assurance	513,878,738	57,252,803	51,789,618	947,586,496 <sup>b</sup>	4,907,121,330	636,516,823	137,652,522	81,508,522
Cuna Mutual	21,952,255	3,434,641	2,704,441	2,704,441	5,646,047,896	227,350,766	97,873,879	2,019,301 <sup>c</sup>
Durham Life, N. C.	67,432,721	6,825,043	13,067,654 <sup>d</sup>	84,911,242	330,189,588	35,949,051	10,078,961	3,479,937
Empire Life, Canada	31,656,206	2,388,284	506,760	36,492,825	210,354,748	24,546,879	4,828,119	4,047,707
Equitable of Iowa	608,056,408	24,924,007	30,136,097	167,084,791	1,570,397,677	78,622,331	45,831,472	33,483,365
Equitable Life of D. C.	105,182,386	7,673,242	5,200,000	63,321,031	447,760,898	24,446,665	13,598,886	4,614,543
Farmers Fund Life, Ga.	11,169,038	1,526,493	39,269,444	114,338,768	2,529,292	5,299,292	4,004,462	934,434
Farmers & Bankers Life	43,306,334	324,492	4,421,472	13,178,544	141,014,663	3,018,443	3,615,745	1,953,510
Farmers & Traders Life	41,723,831	2,537,434	2,273,485	17,946,522	170,382,869	9,784,601	4,659,946	1,704,274
Farmers New World Life	37,894,860	2,237,212	58,546,385	200,424,332	31,368,684	4,640,255	2,366,804	2,366,804
Federal L.C.	12,628,262	1,653,944	2,446,844	95,126,834	345,886,392	71,453,216	10,544,332	4,628,235
Fidelity Mutual Life	335,037,440	13,166,252	15,077,539	124,395,725	1,081,407,218	76,609,254	29,801,593	20,322,733
Franklin Life	419,610,911	43,836,056	46,150,000	101,477,479	801,429,878	78,668,281	26,625,580	12,423,619
Great Amer. Reserve, Tex.	13,857,276	2,130,439	3,037,452	33,321,289 <sup>b</sup>	179,464,683	27,901,334	8,551,119	3,527,571
Great National Life, Tex.	35,794,224	2,553,720	1,476,118	15,705,376	176,866,350	7,329,830	4,913,750	2,228,584
Govt. Personnel Mut. Life	14,682,336	2,230,778	945,042	50,700,490	171,040,108	25,631,107	2,353,086	1,267,554
Guarantee Mutual Life	106,497,576	5,300,030	9,294,618	76,524,957 <sup>b</sup>	426,625,649	42,380,753	12,075,139	6,082,956
Home Security Life, N. C.	35,974,924	2,507,189	4,945,061	83,055,443	255,424,895	24,588,174	7,696,688	2,549,179
Hoosier Farm Bureau Life	28,794,970	4,727,487	2,786,347	33,293,013	181,487,970	19,676,359	7,310,094	2,393,160
Indianapolis Life	108,037,216	6,128,593	9,276,781	53,292,931	377,234,510	26,077,266	10,357,217	6,464,244
Iowa Life	32,658,683	5,053,537	3,437,409	55,753,152	316,877,838	33,147,670	6,499,792	634,467
Jefferson National Life	19,622,972	2,357,103	1,980,075	39,611,764	173,596,015	23,320,022	5,079,622	1,599,635
John Hancock	5,163,266,034	296,332,091	504,460,088	2,842,510,000	20,650,687,566	1,843,137,906	625,247,000	231,704,000
Kansas City Life	367,468,664	16,358,280	34,207,550	169,809,612	1,260,355,506	72,003,986	31,047,772	18,460,721
Knights Life of America	82,381,448	7,210,818	11,520,217	77,482,195	477,175,606	24,354,284	14,478,348	4,154,564
Lamar Life	64,796,293	3,790,649	7,892,767	33,301,350	232,542,342	17,838,844	5,876,666	2,939,604
Liberty Life, S. C.	100,116,616	7,832,548	196,434,626	892,595,359	74,945,545	19,522,532 <sup>c</sup>	6,774,552 <sup>c</sup>	6,774,552 <sup>c</sup>
Liberty National Life	235,582,016	25,411,066	17,984,133	33,194,103	1,338,317,961	168,113,588	50,523,396	13,014,751
Life of Georgia	155,597,609	15,346,534	19,059,902	453,021,759	1,466,145,402	112,194,621	51,651,016	15,537,493
Lincoln National Life	1,272,741,767	68,139,319	143,589,061	1,354,810,302	8,735,950,668	710,440,016	185,750,216	123,670,940
Lincoln Liberty Life, Neb.	27,211,249	1,685,202	3,352,598	12,131,516 <sup>b</sup>	105,362,480	5,180,065	2,479,360	861,000
Lincoln Life, Canada	616,772,310	48,667,947	41,063,725	578,833,378	4,196,117,930	403,590,901	81,107,089	47,127,324
Lutheran Mutual	98,963,601	8,021,034	6,963,355	63,092,939	435,008,885	50,378,087	10,202,707	4,048,648
Michigan Life	16,755,948	1,110,013	2,597,187 <sup>c</sup>	60,707,204 <sup>d</sup>	234,375,602	50,049,488	7,787,186	5,728,501
Midwestern United Life	13,057,889	2,011,295	2,010,642	56,346,107 <sup>b</sup>	185,990,682	35,521,877	4,992,770	1,075,906
Midwest Life, Neb.	15,566,066	914,315	1,295,293 <sup>b</sup>	25,797,729	105,290,210	10,000,643	2,582,096	1,005,220
Minnesota Mutual	233,680,298	17,136,045	14,932,288	283,752,748	1,844,586,559	189,010,535	34,723,845	18,244,614
Monarch Life, Canada	62,216,191	4,475,315	6,596,637	60,706,039 <sup>b</sup>	351,045,955	36,612,727	6,992,303	3,234,950
Monarch Life, Mass.	77,520,137	8,914,078	14,940,555	105,676,482	444,729,097	63,722,693	30,057,002	12,434,299
Monumental Life	204,807,222	13,576,231	26,711,801	156,089,744	1,003,877,978	65,323,759	29,410,056	10,259,685
Mutual Life of Canada	551,846,674	30,425,265	25,114,601	306,159,688	2,411,410,247	358,976,099 <sup>b</sup>	56,214,477	44,451,715
Mutual Trust Life	184,773,920	9,248,956	16,435,319	58,412,906 <sup>d</sup>	574,988,958	32,139,617	16,984,284	10,162,952
National Bankers Life, Tex.	19,789,627	549,390	2,726,049	19,234,713	84,863,176	4,549,794	9,929,397	4,260,936
National Bureau Ins. Co.	20,609,829	2,091,754	1,302,624	26,107,149	106,361,005	4,813,007	4,870,535	922,737
Natl. Farmers Union	5,627,477	683,116	98,442,461	98,442,461	11,396,910	3,480,181	1,743,338	1,743,338
National Fidelity Life	20,792,413	1,574,344	3,054,615	21,471,366	147,060,529	15,055,366	4,254,486	1,916,733
National Guardian Life	50,354,042	3,413,563	4,021,054	35,558,574 <sup>b</sup>	223,733,816	20,416,078	5,860,448	2,545,547
National L.A. & A.	696,079,269	58,577,329	100,566,683	1,091,665,612	4,975,641,769	371,727,832	133,895,003	42,852,142
National Reserve Life	57,321,805	4,686,405	4,720,416	33,546,562	222,184,467	17,085,955	7,365,086	2,672,659
National Life of Vt.	699,552,592	37,701,616	44,221,265	289,908,725	2,085,395,115	191,147,061	73,738,733	47,899,546
National Travelers	27,683,109	1,503,652	3,089,712	25,454,367	122,427,867	9,212,159	2,262,938	1,000,000
Nationwide Life	111,326,444	15,218,970	10,797,528	267,373,538 <sup>b</sup>	1,161,618,587	154,370,902	23,143,741	7,226,590
North American Accident	39,968,215	2,799,302	7,513,536	14,193,888	447,300,634	5,220,986	19,081,283	10,817,293
Northern Life of Canada	40,163,495	2,830,284	3,870,104	43,710,018	252,252,463	5,045,498	12,147,797	2,147,797
Ohio National Life	181,149,976	12,024,355	11,486,622	150,008,363 <sup>b</sup>	901,990,193	71,524,434	22,428,110	11,069,849
Ohio State Life	88,614,777 <sup>c</sup>	1,352,448	5,936,371	58,675,727 <sup>b</sup>	384,955,905	33,217,300	10,886,379	4,090,334
Old Security, Mo.	3,059,033	669,976	1,327,966	105,807,941	124,860,474	20,080,106	1,932,058	367,223
Pan-American Life	200,009,405	12,701,788	14,717,685	187,468,083	1,058,638,881	107,602,323</		

# V.I.P.\*

## ANOTHER CENTRAL STANDARD ACTION PLAN!



\* Variable Insurance Protection . . . featuring the Executive Incentive Policy. Variable because the insurance protection grows as a man's responsibility grows. It's the insurance plan of tomorrow, today!

Ideal for executives and key men. The perfect solution to Split Dollar sales. Pays the Face Amount PLUS the Cash Value if death occurs before age 65. Policy loans do not reduce the Face Amount. Send coupon for full details of this unusual policy. No obligation—just your opportunity to move ahead fast with Central Standard's expansion program.

Central Standard Life  
Central Standard Building  
211 W. Wacker, Chicago 6

Please send VIP kit and details.

Name \_\_\_\_\_

Address \_\_\_\_\_

## YOUR COPY Is Ready!

Write

**NORMAN T. CARSON**  
Executive Vice President

**CENTRAL STANDARD LIFE  
INSURANCE COMPANY**

Central Standard Building  
211 W. Wacker Dr., Chicago 6

## American United Offers Mortgagor Life Plan

A new plan in the field of mortgage life insurance has been developed by American United Life for financial institutions desiring to offer this service to their customers.

The plan pays the mortgage payment for a set number of months after the mortgagor's death rather than attempting to pay off the entire mort-

gage debt. This keeps the premium low so that most mortgagors can handle it without financial strain.

### Uses Level Premium

The premium, which does not change during the life of the mortgage, is based on the mortgagor's age and his monthly payment. Because this is group insurance, the premium cost is considerably lower than the cost of a comparable death benefit available through individual life policies.

Purpose of the plan is to provide a readjustment period for the survivors during which the family's financial picture may be rearranged and during which the lender will not have a disturbed loan to service. Mortgagors under age 60 are eligible, participation is voluntary, and those who enroll at the time of loan closing do not have to furnish a statement of good health or medical examination. The death benefit is paid to the lending institution which is the master policyholder.

## Unions Hit Blue Cross At Indiana Hearings

A public hearing held recently by the Indiana legislative committee investigating hospitalization developed into a forum on Blue Cross.

Billed as an opportunity to present complaints about hospitalization insurance operations, the afternoon session was devoted almost entirely to prepared statements on the Blue plans by union leaders, including a threat to get enough proxies to put CIO on the Blue Cross board. The evening session was occupied mostly with Blue Cross attempts to answer union criticism. Only four individual complainants were heard during the four hours of hearing.

First to speak at the afternoon session was Dallas Sells, state CIO director, who estimated Hoosiers spend \$218 million a year on hospital and medical services. Costs have been driven up by abuses, he claimed, particularly by doctors who think that insurance means increased ability to pay. Mr. Sells recommended hospital committees to screen admissions, extension of Blue plan benefits to outpatient care, and elimination of interlocking hospital-Blue Cross directorships.

The next speaker was Max Brydehal, Indianapolis CIO industrial union council, who said that signing a Blue Cross application is also automatically signing a "lifetime proxy" to the company's board. He warned that the CIO might decide to have union members cancel their proxies and elect union representatives to the board.

### Claims Members Are Victimized

James Lavender, AFL-CIO Madison county council, complained that union members are being victimized at St. John's hospital, Anderson, Ind., where doctors are sometimes not available for 24 hours and Blue Cross refuses to pay the claim because no licensed doctor has been in attendance.

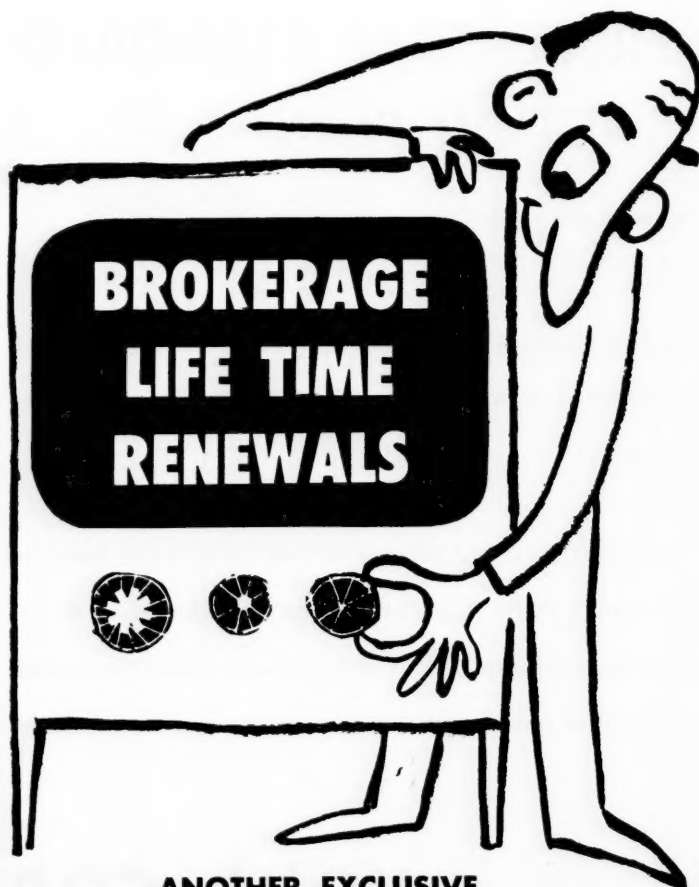
Final speaker was Jerome Pollack, UAW social security department, Detroit, who read a statement mostly objecting to deductible hospitalization coverage and experience rating. Rep. Grattan Downey, committee member, at a previous meeting of the investigating committee had proposed the deductible plan as a possible solution to mounting Blue Cross rates.

Mr. Pollack claimed deductibles would put the burden of high costs on patients whereas the high costs are the fault of doctors and hospitals. There is no independent review of hospital costs, he pointed out, and one study showed faulty use of hospitals in one-third of the cases and one-fifth of the costs. Moreover, he contended, experience rating would push premiums out of reach of certain groups, particularly the elderly. He recommended that the committee should request Congress to put hospitalization benefits into social security. Deductibles are all right, he added, if they are voluntary and not forced into hospitalization insurance by law.

At the close of Mr. Pollack's statement, Rep. Downey pointed out that he never contended that everyone should be forced to take deductible but merely that it should be offered as an alternative to increased rates for those who wanted to take it. He asked if deductibles would be acceptable to Mr. Pollack under those conditions. Despite his earlier statement that voluntary deductibles were satisfactory, Mr. Pollack would not commit himself unqualifiedly.

**AREN'T you about Ready**

for a **SWITCH** To



... ANOTHER EXCLUSIVE

# BROKERAGE OPPORTUNITY

OFFERED BY THE

## REPUBLIC NATIONAL LIFE INSURANCE COMPANY

Dallas, Texas

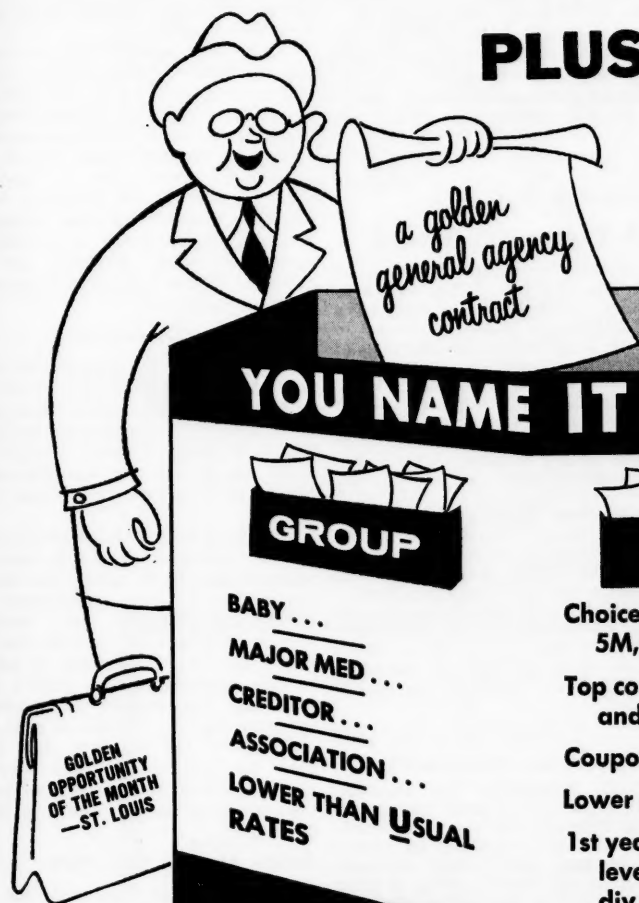
There's still time to qualify for the Brokerage Sales Convention, Grand Hotel, 1959.

CONTACT ED NADALIN, ASSISTANT VICE PRESIDENT AND DIRECTOR OF BROKERAGE

# the UMBRELLA PLAN

PLUS

**SUPERMARKET  
SELECTION**



**YOU NAME IT — WE WRITE IT**

**GROUP**

BABY ...  
MAJOR MED ...  
CREDITOR ...  
ASSOCIATION ...  
LOWER THAN USUAL  
RATES

**LIFE**

Choice of Specials—  
5M, 10M, 15M, 25M ...  
Top competitors in Par  
and Non-Par ...  
Coupon policies  
Lower rates for women ...  
1st year C.V. policy with  
level net death benefit  
div. option ...

**A. & H.**

NON-CAN  
COMMERCIAL ...  
1st-day-to-life A. & H.  
ASSOC. & FRANCHISE

*Bankers National Life*

**Top commissions and expense allowance... profit-sharing  
renewals... persistency bonus... pension plan... group insurance**

**AVAILABLE TO:**

General Insurance firms { now paying for more than  
Full-time Life Men { \$10,000 annually  
in Life premiums

*Bankers National*  
**LIFE INSURANCE COMPANY**

MONTCLAIR 6, NEW JERSEY

Send me your Booklet  
HOW

**THE UMBRELLA PLAN**  
CAN HELP YOU BUILD A MULTI-MILLION  
DOLLAR AGENCY.

NAME \_\_\_\_\_

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_

1957 Promo: Life \_\_\_\_\_ A.H. \_\_\_\_\_ Group \_\_\_\_\_

## Life Of Georgia In Force In 1957 Rose To \$1,466,145,402

Life of Georgia's insurance in force last year rose to \$1,466,145,402, up \$112,194,621. Ordinary increased by \$61,507,858 and group rose by \$41,176,743. A&S annual premiums were \$8,850,000.

Assets rose to \$155,597,610, up \$15,346,535. Surplus was raised \$2,334,297 to bring combined capital and surplus to \$19,059,902.

Payments to policyholders and beneficiaries were \$15,389,068, of which \$5,762,000 was in death claims.

Earned income from investments was \$5,946,610, up 15%. The net earnings rate, before federal income taxes, rose to 3.66%, up 22 points.

Stockholders have voted to split the company's 70,000 shares on a ten for one basis at \$10 par for each new share.

## Protective In Force Totals \$950 Million

Protective Life's life insurance in force in 1957 rose to \$950 million, up \$83 million. Assets totaled \$83,741,669, up \$7,250,000. Policy reserves were \$66,412,343, up \$4,908,821. Payments to policyholders and beneficiaries totaled \$12,240,429.

### Bankers Fidelity Stock Issue

Bankers Fidelity Life of Atlanta has filed with Securities & Exchange Commission a statement seeking registration for 258,740 shares of \$1 par value common stock.

Officers, directors and employees would be permitted to purchase 133,740 shares, 131,240 of them at \$3 each and 2,500 at \$4. The remaining 125,000 shares would be sold at \$6 apiece through regular agents and employees, who would be paid a selling commission of 60 cents a share. Proceeds of the sale will be applied to capital and surplus.

## LIAMA A&S Meet To Probe PR Problems

Public relations problems confronting the health insurance business will be discussed at the opening session of LIAMA's annual A&S meeting April 14-16 at the Edgewater Beach hotel, Chicago.

A&S sales management and sales methods will be covered April 15. The April 16 morning session will cover A&S trends.

Program chairman is E. J. Melby, agency vice-president of Woodmen Accident & Life. His committee includes J. E. Rawles, 2nd vice-president of Lincoln National; John C. Slattery, 2nd vice-president of Guardian Life; E. S. Westcott, director of A&S sales promotion of Bankers Life of Nebraska; Lyle B. Pelton and Kenneth L. Hobbs, LIAMA staff representatives. W. G. Alpaugh Jr., vice-president of Inter-Ocean, is chairman of the A&S committee.

## N. Y. Agents Oppose Blue Cross-Sponsored Major Medical Bill

New York State Assn. of Life Underwriters has asked legislators to oppose the Blue Cross sponsored bills to permit hospital service corporations to write major medical without being subject to the licensing provisions of the insurance law.

The association, in a special memorandum, said its opposition to the bills (senate 282 and assembly 173) is not based on what the sponsors seek to offer the public—since major medical already is available—but on the grounds that they want to do it by special privilege, without being in the insurance business.

"This year again," the association told legislators, "after similar bills in 1956 and 1957 failed to pass the legislature, these special hospital corporations seek to send solicitors before the public to explain when one of their subscribers may collect for medicines used outside of the hospitals or get paid for nurses' services outside of hospital or privately employed, not connected with hospital, or ambulances, when not part of the hospital equipment."

### Get "Special Exemption"

"They seek permission to insure against the cost of these sickness and accident expenses. Under these selling conditions, it is inevitable the solicitors will compare their contract with those issued by the corporations licensed to do insurance business in the state."

Agents of both mutual and the stock life insurers must take a 3-hour written examination to satisfy the superintendent as to their competency. The association listed as other "doubtful special exemptions" which the proposed bill would extend to hospital service corporations: No control of advertising; no control of incomplete comparisons; no control of misleading statements; no payment for license fees; no penalty for any insurance law violations, such as loss of license, because they do not have a license to suspend.

### Enters Another A&S Field

If the bill is approved, the only A&S coverage which hospital service corporations will not be able to sell is loss of services and income. A future bill could change this, thus creating another form of insurance company—not paying taxes and without licensed representatives, the association said.

The association also is opposing a bill to authorize the placing of group life for the whole family under the control of a worker's employer. The bill (senate 1435 and assembly 1855) would tend to replace the initiative of the worker with the controlled plans of the employer—both as to type and as to amount of coverage, the association declared in a special memorandum.

## Manhattan Life Boosts

### Dividends For 1958-59

Manhattan Life has increased the dividends on all ordinary policies and annuities by 20% over the scale adopted in 1955. The increase will commence with policy anniversaries on and after next May 1.

Dividends for the 1957-58 dividend year were 10% greater than the scale set in 1955. The total amount allocated for 1958-59 dividends exceeds by 33% the amount authorized for 1957-58.

# news!

UNITED LIFE'S NEW  
RETURN OF PREMIUMS RIDER  
IS NOW AVAILABLE WITH

## 30 MODERN UNITED LIFE POLICIES!

- either RP20 (20-year Plan) or RP65 (Plan to Age 65)
- with either rider on a basic policy, all premiums paid PLUS full face value of policy will be paid in event of death

Get full details now!

UNITED LIFE  
AND ACCIDENT  
INSURANCE CO.  
CONCORD,  
NEW HAMPSHIRE

ESTABLISHED  
1913

Write H. V. Staehle, Jr., C.L.U., Field Management  
Vice-Pres., United Life, 5 White Street, Concord, N.H.

STATES SERVED: Cal., Conn., Del., D.C., Me., Md.,  
Mass., \*Mich., N.H., N.J., N.C., \*Ohio, \*Pa., R.I.,  
S.C., Vt., Va.

\*General Agency opportunities available

## Enrollments For 1958

### LOMA Exams Set Record

Enrollments for examinations to be given in May by Life Office Management Assn. Institute have reached a record 20,920, up 4,305. Because of the heavy increase in the number of examinations, electronic grading of some papers will be tried this year.

The record 1958 figure represents participation by 424 companies, up 35. The largest gain in enrollments is in the introductory course, which has 15,752 examinations scheduled, up 29%.

The electronic grading of all papers for examinations 1 through 4 should enable the institute to release examination results earlier than in previous years. As in the past, examinations 5 through 10 will be graded by selected and trained personnel. The fellowship examinations are graded by company specialists. It is planned to announce the results of all examinations simultaneously.

### Foundation Cites Hancock

Freedoms Foundation has awarded John Hancock its top prize in the advertising category for its "Americanism" advertising series and an award in the company publications category for the Hancock News Weekly. A third national award in the latter category was presented to Stanley T. Dingman, associate director of the bureau of publications and editor of the News Weekly.

Insurance in force of Vulcan Life & Accident of Birmingham last year rose to \$112,941,379, up 24.9%, while assets increased to \$3,328,601, up 23%. As a result of the year's operations, a 10% stock dividend will be paid to stockholders of record March 31.

# AFRAID OF SELLING MUTUAL FUND SHARES?

(Pull "it" out and read this ad)

There isn't any reason why the subject of Mutual Funds should make you hide your head in the sand. Actually, the modern life insurance salesman has a mutual fund connection so as to round out his ability to fulfill his clients' needs. Let us help answer your questions on selling this type of investment. Write me—today.

H. J. Noel, Agency Superintendent



STANDARD LIFE INSURANCE CO. of IND.  
INDIANAPOLIS, INDIANA

GENERAL AGENCIES OPEN IN: Arizona • California • Delaware  
Florida • Georgia • Illinois • Indiana • Kentucky • Maryland  
Michigan • Missouri • New Mexico • Ohio • Pennsylvania  
Tennessee • Virginia • West Virginia • D. of C. • Hawaii



## ENTERING A NEW HALF CENTURY

# JEFFERSON STANDARD

## REPORTS TO POLICYHOLDERS

This 51st Annual Report reflects another successful year of operations for Jefferson Standard.

Life insurance sales for 1957 were \$229,822,210, an increase over 1956 of nearly \$6,000,000. Total insurance in force as of December 31 amounted to \$1,708,566,863, an increase of 7.8% for the year.

At the end of the year, Company assets amounted to \$496,805,341, an increase of \$33,870,398 during 1957.

Payments to policyholders and beneficiaries in 1957 amounted to \$23,292,416, 63% of which went to living policyholders. During the half century of Company service just closed, the basic purpose of life insurance has been served by the payment of more than \$321,921,296 to our policyholders and beneficiaries.

Jefferson Standard, now guaranteeing 2½% on policies currently issued, has never paid less than 4% interest on dividend accumulations and on policy proceeds left with the Company to provide income. 4% is the highest rate paid by any major life insurance company in the United States. This means extra income to policyholders and beneficiaries.

### JEFFERSON STANDARD'S CONDENSED 51ST ANNUAL STATEMENT DECEMBER 31, 1957

ASSETS	
Cash .....	\$ 6,406,454
Bonds .....	137,813,595
Stocks .....	40,167,917
Mortgage Loans .....	234,424,077
Investment Real Estate .....	24,668,345
Other Real Estate including Home Office Building .....	5,876,085
Loans to Policyholders .....	32,787,942
All other Assets .....	14,660,926
<b>TOTAL ASSETS .....</b>	<b>\$496,805,341</b>
LIABILITIES	
Policy Reserves .....	\$339,187,370
Reserve for Policy Claims .....	1,389,926
Policy Proceeds Left with Company .....	46,909,642
Dividends for Policyholders .....	4,969,865
Policy Revaluation & Mortality Fluctuation Reserve .....	6,482,719
Investment Fluctuation Reserve .....	15,795,004
Other Liabilities and Reserves .....	10,070,815
<b>TOTAL LIABILITIES .....</b>	<b>\$424,805,341</b>
Contingency Reserve .....	6,000,000
Capital and Surplus .....	66,000,000
<b>TOTAL .....</b>	<b>\$496,805,341</b>

Copy of booklet containing complete report available upon request



Represents The  
Jefferson Standard

# Jefferson Standard

LIFE INSURANCE COMPANY Home Office: Greensboro, N.C.

## 100% Stock Dividend For Old American

Stockholders and directors of Old American of Kansas City have voted to increase capital from \$1 million to \$2 million by payment of a 100% stock dividend.

## Name November V-P, Actuary Of Equitable

William J. November, vice-president and associate actuary of Equitable Society since 1953, has been promoted to vice-president and actuary. Mr. November joined the company

in 1927, becoming assistant actuary in 1939 and associate actuary in 1941. He was appointed 2nd vice-president and associate actuary in 1951. He is a fellow of Society of Actuaries.

In his new post he will be in charge of Equitable Society's actuarial department.

## Work Simplification Hinges On Seeking Better Job Methods

This is the question which should be asked by all levels of management if a work simplification program is to be successful: "Is there a better way to do it?" Frederick C. Erdman Jr., assistant methods manager of Home Life, made this point in a talk on the practical application of work simplification plans at the annual 2-day methods and procedures forum of Health Insurance Assn. at New York.

Home Life, before setting up such a plan, investigated a number of companies with successful programs and found this same formula in operation in every case: A strong interest on the part of top and middle management; inspirational instruction and close follow-up on trainees; effective promotion, and recognition of accomplishments.

### Two Main Objectives

Definite objectives had to be defined, Mr. Erdman said. The first was to save time and money. The second was to secure an expansion of methods department activities by training supervisory personnel in work simplification techniques.

The company also wanted to make it possible for everyone to help find better ways to do work. Many clerical jobs do not provide an outlet for creativeness that may be in the people who fill them. Work simplification could give them a chance to do some constructive thinking about their own work and provide an additional avenue of recognition. The final objective was to encourage a healthy climate in which ideas would be greeted by an open mind.

In summing up the results of Home Life's program in relation to the objectives set up three years ago, Mr. Erdman said 321 projects were completed, representing total annual savings of \$56,000 and 32,000 man-hours. Fifty employees have been trained to handle work simplification principles and techniques.

### Speakers For Ind. Assn.

#### Sales Caravan Announced

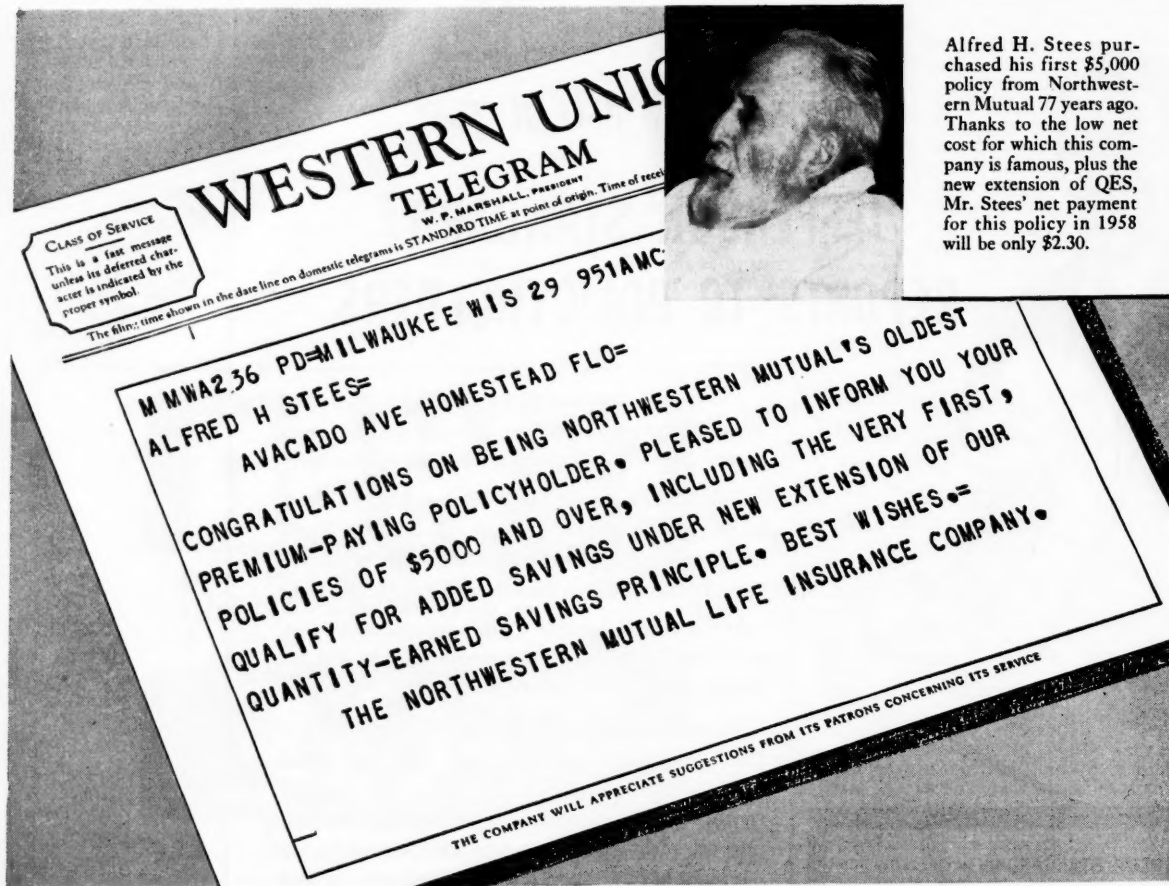
Speakers and their subjects for the annual Caravan Sales Congress of Indiana Assn. of Life Underwriters have been announced by James Comstock, American United Life, Indianapolis, caravan chairman. They are:

W. Walter Smith, Metropolitan Life, Rutherfordton, N. C., "Your Problem Is You;" W. Harold Petersen, American United Life, Indianapolis, "An Open Letter to My Wife;" E. Price Ripley, National Life of Vermont, Roanoke, Va., "The General Practice of Life Insurance;" and W. J. Clark, Massachusetts Mutual Life, "Old-Fashioned Key Man Business Insurance."

The caravan, which annually draws total attendance of 1,000 or more, will stop in Evansville on March 27; Indianapolis, March 28; and Elkhart, March 29.

### Southland Life Honors Two

Southland Life named Woodie Wood, Dallas agent, as man of the year and has presented Agency Manager Bill Adams of Fort Worth with the managers achievement award. Mr. Wood, who has represented Southland Life at Dallas for 17 years, produced the largest volume in combined life and A&S premiums in 1957. Mr. Adams had the largest total of merit points in 15 categories of competition among all the company's agency managers.



**WESTERN UNION TELEGRAM**  
W. P. MARSHALL, president  
The film: time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt.

CLASS OF SERVICE  
This is a fast message unless its deferred character is indicated by the proper symbol.

M MWA236 PD=MILWAUKEE WIS 29 951AMC

ALFRED H STEES=  
AVACADO AVE HOMESTEAD FLO=  
CONGRATULATIONS ON BEING NORTHWESTERN MUTUAL'S OLDEST PREMIUM-PAYING POLICYHOLDER. PLEASED TO INFORM YOU YOUR POLICIES OF \$5000 AND OVER, INCLUDING THE VERY FIRST, QUALIFY FOR ADDED SAVINGS UNDER NEW EXTENSION OF OUR QUANTITY-EARNED SAVINGS PRINCIPLE. BEST WISHES.=  
THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

# Our old friends, too, now benefit under **Quantity-Earned Savings**

**Regardless of when written, premium-paying policies of \$5000 and more will now return added dollars in savings, based on the Northwestern Mutual's Quantity-Earned Savings.**

Just one year ago, Northwestern Mutual sought and obtained official permission to establish Quantity-Earned Savings (QES) rate reductions based on the size of the policy. The result made life insurance history.

Now a new stride forward! Effective January 1, 1958, Northwestern Mutual is extending the same advantage to policies written before QES went into effect. No

matter how old, any premium-paying Northwestern Mutual policy of \$5000 to \$10,000 will now return an added saving each year. On policies \$10,000 and up the new savings will be even greater.

And more good news! Northwestern Mutual announces another increase in its regular dividend distribution to policyholders. *This is the sixth successive year that Northwestern Mutual has paid out an increased amount in dividends.*

Here is dramatic proof of Northwestern Mutual's success in continuing to lower life insurance cost through modern business methods—progress for which this company has become famous during the past 100 years.

**The NORTHWESTERN MUTUAL Life Insurance Company**

MILWAUKEE, WISCONSIN

AS ADVERTISED IN TIME, NEWSWEEK AND SUCCESSFUL FARMING



*"You betcha we're  
growing... going  
places too"*

Growing families and growing family income are the strength behind a great and growing South. In this vigorous region below the Mason-Dixon line, per family income has increased 74.7% during the last ten years. Life of Georgia—offering a sound method of saving through life insurance—is a stabilizing factor in the economy of this important area of the nation.

#### LIFE OF GEORGIA FACTS

From Annual Statement of Dec. 31, 1957

LIFE INSURANCE IN FORCE..	\$1,466,145,402
Gain of \$112,194,621 in one year	
PAID POLICYHOLDERS AND BENEFICIARIES .....	\$15,389,068
ASSETS .....	\$155,597,610
Increase of \$15,346,535 over 1956	
LIABILITIES .....	\$136,537,707
Liabilities include policy reserves	
SURPLUS FUNDS AND CAPITAL .....	\$19,059,902



**LIFE INSURANCE  
COMPANY  
OF GEORGIA**

SERVING THIS FAST-GROWING  
REGION SINCE 1891

## Mutual Of N. Y. Attitude Survey Finds 25% Of Public Likes Variable Annuities

Mutual of New York's public relations division, in a continuing effort to find out what people like or dislike, has canvassed the general public, policyholders and employees on various subjects. A number of interesting facts have been learned.

Nearly 25% of the people interviewed in the general public expressed a preference for variable annuities, as opposed to the types now available. More than 80% think favorably about the management of their own life company and only 11% feel the government could do a better job of handling life insurance. More than half say agents are always welcome and think they should make personal calls at least once or twice a year. Annual reports are considered a good idea. Only half those in the general public understood that life companies pay federal income taxes, and only 34% knew that special state premium taxes are paid.

Among Mutual policyholders, in a survey about annual reports, 84% of those who answered the questionnaire said they read all or part of the annual report. Better than nine out of 10 thought the report was interesting, informative and gave an over-all picture of the company and its operations. Three-quarters thought it was a good idea for the company to continue sending the annual report.

Among employees in the agency offices, only 2% of those who responded said they did not enjoy working for the company. Seventy-eight percent thought Mutual paid as well or better than other companies. Ninety-seven percent felt that vacations, holidays, medical expense plan and other benefits were as good or better than those of similar employe groups. Ninety-

three percent were confident they would be given fair consideration if and when promotions were made. Better than seven out of 10 were satisfied with their supervisor. Six out of 10 said they had made suggestions to supervisors for work improvement, and 85% said the suggestions had been given careful consideration.

The responses to Mutual's opinion surveys are anonymous, unless the individual wants to identify himself by signing the questionnaire. The survey of the general public is conducted by an outside group in personal interviews. Canvasses of employe and policyholder attitudes are made by the company itself through mailed questionnaires. The results of all surveys are tabulated by an outside organization.

Periodic surveys among Mutual's various publics are among the ways the company has tried to keep its finger on the pulse of public preferences in a formalized program that began 16 years ago. Other ways the company measures public attitudes include monthly questionnaires to policyholders about various specific services performed for them; centralization and analysis of all complaints received; studying newspaper, magazine, trade journal, radio and TV comment about the company and the insurance business in general; frequent meetings with field men who reflect the attitudes of policyholders and the public with whom they deal.

Findings from these sources have enabled Mutual to adjust procedures, improve services and make it easier, for people to do business with the company. Letters from policyholders and the public are answered more promptly. Aided by an outside special-

ist in letter-writing, the company has trained a corps of correspondents to strip away technical gobbledegook and to write letters that are friendly, simple and easy to understand. Policy language has been simplified and formats have been streamlined. The number of forms has been sharply reduced, and notarization and similar bothersome requirements are no longer needed on many. Services have been accelerated, particularly the payment of death claims.

The Boston agency of **Home Life** won the 1957 agency building award for making the most progress over the preceding year in sales, service, growth in personnel and efficiency. The agency, managed by Paul F. Saint since 1951, last year ranked fifth in production standings, had a 35% increase in ordinary business, 148% increase in group, increased its field personnel by 38% with only one termination, while 88% of its sales personnel with more than one year of experience earned salary increases. Three men were promoted to the management development program.

## New Rocky Mountain Handbook Is Published

A new **Underwriters Handbook of the Rocky Mountain States** including Colorado, Idaho, Montana, New Mexico, Utah and Wyoming has just been published by the **National Underwriter Company**. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout these states. Copies of the new **Rocky Mountain Handbook** may be obtained from the **National Underwriter Company** at 420 East Fourth Street, Cincinnati 2, Ohio. Price \$12.50 each.

## Mutual Benefit's Investment Yields Increased In 1957

Mutual Benefit Life's net interest earnings on all invested assets increased for the 10th successive year in 1957 by rising 11 points to 3.83% before federal income taxes.

The net rate on new investments was 4.50% before federal income taxes, up 34 points, while the gross rate on investments made in 1957 was 4.83%, up 31 points. Assets rose to a peak \$1,726,500,000, up \$46.2 million.

Dividends declared for 1958 totaled \$28.6 million, up \$4.4 million. The new scale authorizes \$3,155,000 more than if the 1957 scale had been continued. Life insurance in force rose to \$4,160,000,000. Premium income was \$142,042,951, up \$3,725,615.

Payments to living policyholders totaled \$76,120,000, up \$12,722,000, while death claims came to \$43,621,000, up \$2.9 million. Mortality experience was favorable but did not quite reach the 1955 and 1956 low levels.

Mortgage and real estate investments totaled \$737 million while bond and stock holdings rose to \$855 million, 50% of assets. Holdings of U. S. government securities were reduced from \$101 million to \$88 million. Common stocks totaled \$16,617,000 and preferred stocks came to \$49,185,000. Total investments in mortgages, real estate and corporate securities were at an all-time peak. A slight decline in surplus was offset by an approximate equivalent increase in the mandatory security valuation reserve.

## Northern Life In Force Passes \$342 Million

Northern Life of Seattle increased its insurance in force to \$342,936,000 in 1957. Income for the past year was \$16,400,000 and assets grew to \$89,900,000. Capital and surplus funds rose to \$12,519,000.

## Slate Business Insurance Forum

Rutgers law school tax forum will hold a symposium on stockholders agreements and life insurance in closed corporations the morning of March 29 at the Robert Treat hotel in Newark. Topics will include the corporate and tax background of the buy-out agreement, factors in determining value, price and terms of payment, the question of dividend treatment on stock redemption, aspects of key man insurance and special problems in life insurance for closed corporations. Lecturers will be Newark and New York lawyers.

## LIFE TRAINING DIRECTOR \$15,000

Well established progressive Mid-Western company, housed city under 500,000.

Position: Executive level responsibility all home office training functions.

Employer Specifications: Age range 32-42, college background mandatory. C.L.U. extremely helpful. Employer visualizes individual presently in home office training department number one or two position with at least eight years in this capacity.

We recommend this position very highly. Confidential handling all inquiries. Employer pays service charge and moving expenses.

## FERGASON PERSONNEL

INSURANCE PERSONNEL EXCLUSIVELY  
330 S. Wells St. Chicago 6, Ill.  
HARRISON 7-9040



now...small businesses  
can mean big money to you!

...through Life and Casualty BANTAM GROUP INSURANCE

Yes! Every store, office, plant and business firm in your territory employing 10, 15, 25—even as few as 5\* people—can now qualify for Group Hospitalization, Surgical Procedure, Polio and Life insurance coverage under the L & C Bantam Group Insurance plan. Think what this can mean to you in added income!

Where formerly only big businesses enjoyed this coverage, today you can offer thousands of smaller firms Group Insurance Coverage under the L & C Bantam plan with the backing and reputation of this Billion Dollar company!

\*Life only where state laws permit.

**Life and Casualty**  
Insurance Company of Tennessee

We'll help you sell Big Business too! Now both large and small business firms can avail themselves of L & C Group Insurance Coverage. And we will help you sell them! L & C rates are competitive, our simple administrative procedure cuts "red tape," and the unusual flexibility of L & C coverage makes our Regular or Bantam Group Insurance of interest to every firm. Write or mail the coupon for FREE descriptive literature TODAY. No obligation.

Please send at once:  
☐ Folder on Bantam Group Insurance  
☐ Brochure on Regular Group Insurance

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_



## ..for United's FAMILY PLAN

Here's the policy that is made to order for the hundreds of young, growing families you know. Old Doc Stork himself helps you sell the United Family Policy, because the whole family gets life insurance protection with ONE policy. And new arrivals are covered with no increase in premium.

Policies that fit prospects—that's one key to United's zooming sales and happy salesmen. Another is the United New Man and Unit Manager's Schools, that help you up the ladder to success.

For free details on a successful United Career in your own home territory, write United of Omaha, Omaha, Nebraska.

Be Far-sighted—go United.



*One of America's Foremost Life Insurance Companies*

N. M. Longworth, President

## A&S Payments Rose By 16.1% In 1957 To Record \$2.5 Billion

A&S benefit payments last year totaled a record \$2.5 billion, up \$400 million, or 16.1%, according to Health Insurance Institute. The latest consumer price index of U.S. Department of Labor shows the cost of medical care in the country last year rose by 4%.

Group policyholders received \$1.8

billion, up 21.3%, while individual and family policyholders were paid \$619 million, up 3%.

### \$1 Billion For Hospitalization

Listing totals by type of service, the institute reports that hospital payments amounted to \$1 billion, with \$778 million received under group and \$224 million under individual policies. Surgical payments were \$398 million, with \$322 million under group policies and \$76 million under individual policies. Medical payments were \$71 mil-

lion, with \$61 million under group and \$10 million under individual policies. Loss of income payments were \$741 million, with \$489 million under group and \$252 million under individual policies. Major medical payments were \$130 million, up 100%, with \$126 million under group and \$4 million under individual policies.

Seventy million persons are covered by some form of health insurance through insurance company programs. This is over half the estimated total insured U.S. population of 123 million.

## Study Finds Hospital Admission Rates Vary With Type Of Coverage

Persons whose medical care costs were covered by insurance while they were in the hospital had a higher annual admission rate than those with coverage for medical care both in and out of the hospital, according to a study by Dr. Paul M. Densen, director of the research and statistical division of Health Insurance Plan of Greater New York, under a grant from U. S. Public Health Service.

The study compared the 1955 hospitalization experience of 57,000 persons who had comprehensive HIP coverage for medical care in and out of the hospital with 53,000 individuals insured under United Medical Service (Blue Shield) contracts covering all or part of medical care given in and out of the hospital in surgical and maternity cases. A third of the latter group also was covered for other medical care provided in the hospital. Both groups were covered for all or part of the hospital fees under the same type of group contracts issued by Associated Hospital Service (Blue Cross).

### Compares Admission Statistics

The study found that the annual admission rate for the Blue Cross-HIP group was 77.4 out of 1,000 persons, compared with 95.8 for those with Blue Shield-Blue Cross. For men only, it was 54 out of 1,000 for those with Blue Cross and HIP and 70.8 for those with Blue Shield-Blue Cross. With obstetrical deliveries excluded, the rate for women was 65.2 under Blue Cross-HIP and 77.5 under Blue Shield-Blue Cross. In analyses of the data by age, employment groups and diagnosis, the differences between the two groups generally persisted.

In the Blue Shield-Blue Cross group, higher admission rates were found among those with contracts covering in-hospital medical and surgical care than among those with only surgical coverage. The average length of stay was 7.6 days for those with Blue Cross-HIP and 7.2 days for Blue Shield-Blue Cross. The study looked at four matched pairs of similar employment groups to determine whether income made any significant difference in admission rates. The same differences were found in three pairs, while the admission rates for one were practically the same.

HIS JOB: To heal, to counsel, to protect your health

Mutual Benefit Life's job:

## TRUE SECURITY

FOR YOUR  
CLIENTS AND YOU

Insurance, like medicine, is not for amateurs. The Insurance Man is a trained specialist who works constantly to improve himself professionally and bring security and peace of mind to those he serves.

And this is especially true of the men and women who work with Mutual Benefit Life.

Service to the policy-holder is the hallmark of the whole Mutual Benefit Life organization.

The True Security Program is a new Mutual Benefit Life development to help its agents maintain this reputation. True Security works directly for the Mutual Benefit Life man. While others sell life insurance, the Mutual Benefit Life man sells True Security. It is a flexible program, easy to understand and explain. As a selling tool, True Security is far ahead of the competition. It makes a customer not only a buyer of insurance, but an investor and a planner as well.

Thus, through Mutual Benefit Life's True Security program, the Mutual Benefit Life man is able to build a better life for himself, his clients, and his family.

## MUTUAL BENEFIT LIFE

The Insurance Company  
for TRUE SECURITY

The American Doctor—scientist and guardian of our nation's health. With skill, understanding and selflessness, he devotes his life to our physical and mental needs.

### The Unity Mutual Life Insurance Company of New York

Insures

The Whole Family

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING  
President

L. J. BAYLEY  
Secretary

HOME OFFICE—SYRACUSE, N. Y.

## McCahan Foundation Undertakes Study Of The American Family

A long range study of the American family and its implications to life insurance is being undertaken by David McCahan foundation of American College with the assistance of prominent social scientists who have specialized in the field.

Implemented by a program of annual lectures growing out of creative research, the exploration will delve into the anatomy of family life by means of such topics as the relationship between generations, family stability, the significance of the size of the family and building better families. Each lecturer will be followed by a discussant who will probe the meaning of the lecture to life insurance. The lecture and discussion will then be published and made generally available.

The annual McCahan foundation lecture will be delivered Oct. 7 as a part of the annual meeting of American Life Convention in Chicago by William F. Ogburn, authority on the family and emeritus professor of sociology at the University of Chicago. His topic will be "The Family in Our Changing Society." Co-sponsors of the affair will be ALC and Chicago CLU chapter. President Holgar J. Johnson of Institute of Life Insurance, chairman of the governing committee of McCahan foundation, will discuss Mr. Ogburn's paper.

### Develop Lectures On Family

Mr. Johnson and President Davis W. Gregg of American College have been developing a series of analytical lectures on the American family and life insurance in the belief that an understanding of the full significance of the family and its change is essential to the life insurance business.

"We believe that not enough is known about the family and its adjustment to modern life," said Mr. Johnson, "and that life insurance should pioneer in exploring and understanding the family. Only by having basic knowledge about the family—past, present and future—can life insurance reach its full potential of service to the public."

Working with the foundation and the college in planning the continuing research has been James H. S. Bosard of the University of Pennsylvania, a leading sociologist-economist who is scheduled to deliver the second lecture of the series in 1959.

Mr. Ogburn, long prominent in the field of sociological research, was the Sewell L. Avery distinguished service professor at the University of Chicago from 1933 to 1951. A lifelong student of the family, he has served as professor at numerous institutions in the U. S., at the University of Calcutta and at Oxford. He has been consultant to many industry groups and government agencies and is author or co-author of a dozen books including *American Marriage and Family Relationships*.

## Offer Teachers 600 Grants To Attend Family Finance Workshop

Institute of Life Insurance grants will help provide 600 scholarships that will enable teachers next summer to attend annual family finance workshops sponsored at 15 universities by National Committee for Education in Family Finance.

Puerto Rican Life Companies Committee also is giving financial aid to

help continue the University of Puerto Rico workshop, which was organized last year. The committee represents life companies doing business in Puerto Rico.

This year's program sets new records for the number of universities participating and the number of scholarships available. The objective of the workshops and other activities is to provide school and college students with accurate and practical instruction in the management of personal and family finances.

## Atlantic 1957 Life Production Rose To Peak \$115,021,292

Atlantic Life's ordinary and weekly premium sales last year totaled a record \$115,021,292, up \$46,780,547. Life insurance in force rose to \$427,014,543, up \$42,055,462.

Assets climbed to \$96,731,857, up \$4,617,388. Capital and surplus totaled \$9,426,203, up \$737,995. Stocks, bonds

and mortgages accounted for 84% of the assets. Mortgage loans totaled \$48,857,430 and stocks and bonds amounted to \$32,332,476.

Payments to policyholders and beneficiaries came to \$6,200,870.

Ray M. Peterson, vice-president and associate actuary of Equitable Society, spoke on pensions at a training conference of the division of vocational rehabilitation of New York state education department in Albany.

## How Pacific Mutual does more for future Agency Managers...

with its  
**"YEARS AHEAD"  
management  
development  
program**



is  
*management  
your goal?*

PACIFIC MUTUAL builds its field management through a unique Management Development Program—a two year minimum, intensive training program in the skills and techniques of successful Agency Development.

With a substantial salary (no personal production required) Pacific Mutual Management Development Program participants devote full attention to management duties. Candidates who pass the strict qualification tests and interviews, work as Agency Supervisors while being trained by outstanding Agency Builders. After training, participants fill Agency Executive openings as they arise.

### Can you qualify?

Men under age 35 with a college degree who are married and have at least one year personal production experience are eligible for consideration. Write in strict confidence giving details of personal and business history to:

RALPH J. WALKER, Vice President  
Pacific Mutual Life Insurance Company  
Los Angeles 55, California

...a company that looks to the future!

**Pacific Mutual**  
**Life Insurance Company**

HOME OFFICE: Los Angeles, California

## Mechanical Tools Still Useful Despite Electronic Computers

"In our enthusiasm for electronic data processing equipment we sometimes overlook the efficiency and economy of the less glamorous mechanical equipment and the less complicated punched card techniques," Gordon M. Grady, assistant treasurer of Monarch Life, declared at the 2-day annual methods and procedures forum held at New York by Health Insurance Assn.

Although electronics has made a tremendous impact on office operations, there still remains a place for the mechanized and less complicated punched card procedures in billing and accounting for individual A&S policies, Mr. Grady pointed out in a talk on the mechanized approach to premium billing, accounting and allied activities for individual A&S.

The electronic approach was discussed by Robert Deisler, coordinator of electronic methods and procedures of Guardian Life, who reported his company has found electronic systems so satisfactory for A&S work that it is modeling its life procedures along the same lines.

### Tells Group A&S View

The same operations were discussed from the group A&S point of view by William M. Smith, manager of the planning department of Lincoln National, who spoke for the manual or semi-mechanized operation, and by David H. Harris, 2nd vice-president of Equitable Society, who told how his company changed over to an electronic operation.

Lincoln National's experience so far has indicated that a manual approach to the billing and accounting operations is the most effective, Mr. Smith said. This does not mean the company has any feelings against a mechanized approach. But as it has studied the various problems, it has found that, if the changes required for a mechanized approach were made, it could generally reduce costs to the point where mechanization was not profitable.

Equitable Society's electronics program for ordinary insurance administration is several years advanced, with a major program of the same general kind recently begun for group life and A&S, Mr. Harris said. Some group work, largely of an actuarial nature, already is being handled this way. While individual insurance administration by electronics serves as the best starting point because its procedures are less "unruly," group work also could be made to lend itself to electronic data-processing techniques.

### 'Not An End In Itself'

"Electronic data-processing is not an end in itself, and it should be employed in a given situation only when it appears to offer real advantages over other ways of accomplishing the results desired," Mr. Harris declared. "I am personally convinced that it offers such advantages for many areas of group insurance administration."

More A&S insurers are coming to the conclusion that the usual method of comparing over-all loss ratios no longer provides a satisfactory basis for evaluating their underwriting results, Eduard H. Minor, assistant actuary of Metropolitan Life, said in a report on the HIA statistical plan, a composite study of A&S companies' hospital,

surgical and medical expense experience. He pointed out that this plan will save companies the time and effort required for development of a comprehensive plan.

Mr. Minor said many companies are anxious to compare their results by age, sex, family composition, occupation and other important subdivisions. Many find they have very satisfactory experience in some areas. It is only through a rather complete statistical subdivision of their experience that it will be possible for a company to make

(CONTINUED ON PAGE 36)

## '57 Ordinary Life Sales Of Travelers Were \$660 Million

Individual life sales of Travelers last year totaled a record \$660.8 million, up \$34 million, while group life sales were a peak \$2,316,700,000, up \$1,233,500,000.

Total life insurance in force at year's end was \$21,701,000,000, up a record \$2,984,000,000. The total consisted of

\$16,572,000,000 of group and \$5,129,000,000 of individual, up \$2,746,000,000 and \$238 million, respectively.

Individual A&S premiums amounted to \$27,771,000, up \$1,372,000, while group A&S premiums were up 29.8%.

Payments under life and A&S policies totaled \$400 million, of which 66% went to living policyholders.

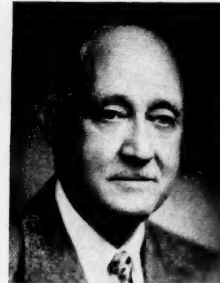
The net rate of interest earned on investments was 3.62% before deduction of federal income and other taxes, compared with 3.52% in 1956. The net rate after taxes was 3.33%, compared with 3.22% in 1956.



ELLISON F. BECKWITH, CLU  
Boston



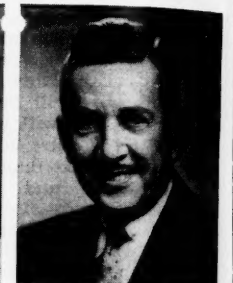
ALBERT V. BIANCO  
Brooklyn Borough Hall



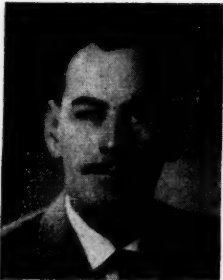
PHILIP V. BIRMINGHAM  
St. Paul



B. SCOTT BLANTON, JR., CLU  
Charlotte



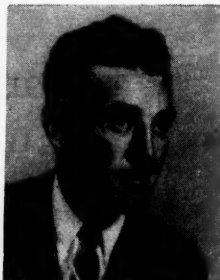
IRAM H. BREWSTER  
Pittsburgh



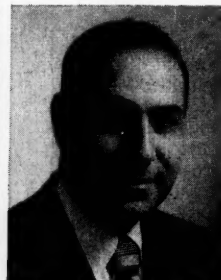
RUMOLD G. CLUCAS  
Milwaukee



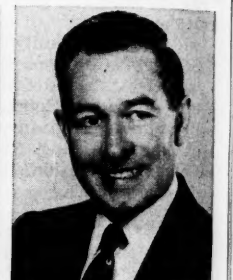
THOMAS R. COSTELLO  
Oklahoma City



MICHAEL P. COYLE, CLU  
New York Uptown



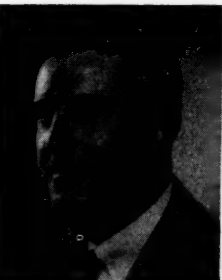
ARTHUR H. DAUMAN, CLU  
New York Lincoln



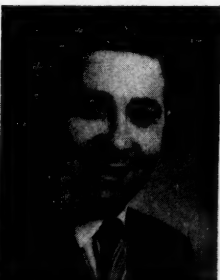
RICHARD L. EMERSON, CLU  
Boston



H. NORMAN FITTER, CLU  
Detroit



WILLIAM T. FLEMING, JR.  
Philadelphia



WES L. FODERO  
Buffalo



EARL W. FUGATE  
Milwaukee



JAMES P. JOYCE  
Springfield



MARK C. MULLER, CLU  
New York Uptown



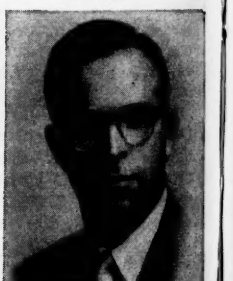
CLARENCE B. NARAMORE, JR.  
Interstate (Stamford)



TONY PERRY  
New York Downtown



ROBERT L. RHEAULT  
Springfield



NORMAN ROBINSON, CLU  
Providence



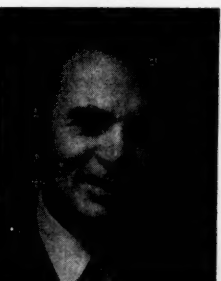
ARTHUR E. SPAKOWSKI  
Milwaukee



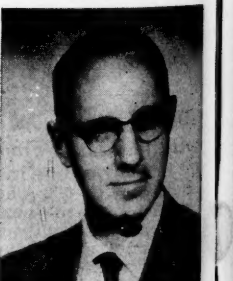
RAY C. SPARKS  
Indianapolis



CHARLES E. STEELE  
New York Lincoln



GEORGE S. VRONIS  
New York Lincoln



BERNARD I. WATERS  
Keystone (Philadelphia)

March 15, 1958

LIFE INSURANCE EDITION

21

## Home Life Average Policy Sale In '57 Was Peak \$14,476

Policies sold last year by Home Life of New York averaged a record \$14,476 in size, up \$1,256. The average policy in force was \$8,118, compared with \$7,784 in 1956. A 1957 industry report indicated Home Life led the business for 16 consecutive years in the average size of policy in force.

Insurance in force increased to \$1,847,069,000, consisting of \$1,490,370,000 of individual life and \$356,699,000 of group life. Annual group A&S premiums totaled \$5,180,000, up 12%.

A total of \$29,063,000, including dividends, was paid or credited to policyholders and beneficiaries in 1957, up \$2,916,000. Payments to living policyholders exceeded death benefits by \$7,739,000.

Assets rose to a peak \$363,343,000, up 6%. The net interest rate earned, after federal income taxes was 3.51%, compared with 3.38% in 1956.

## Society Of Actuaries Sets April 10-11 Date For Eastern Rally

Society of Actuaries will hold its eastern spring meeting April 10-11 at Hotel Sheraton, Philadelphia.

President Henry F. Rood, vice-president and actuary Lincoln National Life, will conduct the business session,

which opens the meeting on the first morning. The balance of the sessions will be presided over by Mr. Rood or Vice-president Dennis N. Wartens, president Bankers Life of Iowa.

The opening session will also include presentation of two papers: "Supplementary Death Benefits In Pension Plans" by Harwood Rosser, vice-president and senior actuary Bernard R. Meidinger & Associates, Louisville, and "The Valuation Of The Family Policy" by Paul E. Sarnoff, senior actuarial assistant Prudential.

Informal discussions scheduled on the agenda include, besides a general category, special policies, group A&H, pension plans, and the impact of inflation.

The general discussion will cover:

A. What beneficial results were derived from the 15th international congress of actuaries? What can be done to make future congresses more valuable? Should any changes be made along the lines of: frequency of these congresses, number of papers from one country on the same topic, longer synopses of papers, wider range of subjects. What can be done to overcome the problems arising from the large attendance?

B. Legislation has been adopted in Canada and is proposed in the U. S. giving favorable tax treatment to pension contributions by the self-employed. What plans have been or could be offered to meet the needs of individuals wishing to take advantage of such legislation? What has been the demand for these plans in Canada?

Have the life insurance companies in Canada been able to attract this type of business in competition with trust companies and investment trusts? If such legislation results in a demand for contracts with premiums varying year by year with the income of the individual how can such a demand be met?

C. Are there indications that 1957 mortality rates among life insurance policyholders were higher than in years immediately preceding? What significance should be attached to any such results? Could Asiatic influenza have been a contributing factor?

Discussion on special policies will include:

A. Family plan: How popular have family plans become with the insuring public? What are the reasons for the interest in family plans? Is the proportion of policies issued on the family plan likely to decline as this type business gets more seasoned? Is the family plan reducing the market for juvenile insurance?

Have some companies decided against the issue of family plans? What reasons are there for such a decision? Can companies not writing the family plan avoid lapse of existing business?

Does the family plan give rise to an unusual number of requests for policy changes? Do companies expect to permit changes or conversions of other policies to the family plan? What solutions have been found to the problems arising from change in family status, particularly divorce and remarriage?

B. Bank loan and split dollar plans: How much demand is there for special policies to meet the particular needs of the highly paid? What unusual features do such special policies usually contain? What lapse rates are experienced? Is it likely that the U. S. Treasury Department will impose limitations on the sale of bank loan plan policies?

Under group A&H will be heard:

A. What has been recent claim experience under group major medical insurance of the  
(CONTINUED ON PAGE 38)

## Quincy (Ill.) Assn. Hears D. E. Truitt

Donald E. Truitt, assistant personnel director of Motorola, spoke at a recent meeting of Quincy (Ill.) Life Underwriters Assn. He reviewed fundamentals of selling and emphasized a salesman's need to find out as much as possible about a buyer beforehand. Above all, he suggested, think of the problems of the prospect and help him to define his needs. He advised that "sincerity will be the biggest sales asset you have."

Clifford G. Phillips, Occidental; Harry R. Coles, Metropolitan; Richard A. Schnack, Metropolitan; William Zarick, Lincoln National; Ralph Rummene, Penn Mutual; and Herbert Hendricks, Equitable of Iowa, spoke briefly regarding programs, events and problems of the association.



# PHOENIX MUTUAL

## Salutes

### 37 LEADING SALESMEN

During 1957, each of these career men placed in force

**MORE THAN  
\$1,000,000**

**OF ORDINARY LIFE INSURANCE**

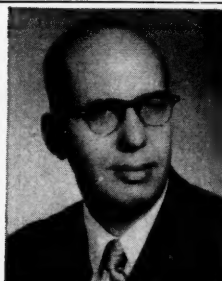
They are leaders in their Company, and — of equal importance — they are leaders in their communities, in their professional associations, and in the life insurance industry which they serve.

# PHOENIX MUTUAL

## LIFE INSURANCE COMPANY

OF HARTFORD, CONNECTICUT

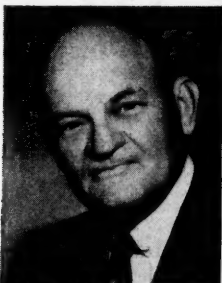
Established in 1851



THOMAS G. BURGESS  
Philadelphia



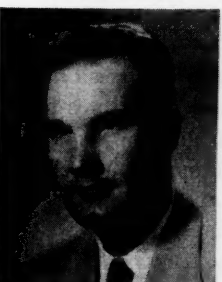
DAVID L. BURKLEY  
St. Louis



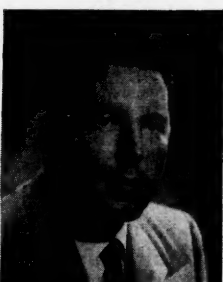
T. H. FARMER  
Oklahoma City



ARTHUR FELKER  
Milwaukee



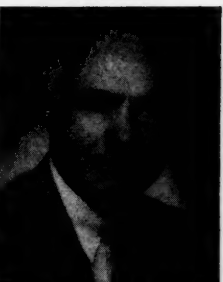
P. ERIC KUUSINEN  
Milwaukee



PETER J. LOUNEY  
Cleveland



HERMANN SCHAAR, CLU  
Ft. Worth



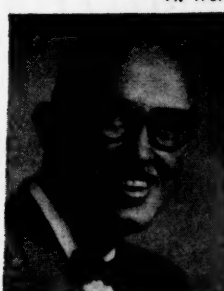
WALTER L. SCHNECK  
New York Downtown



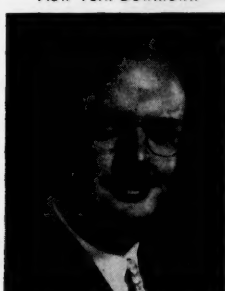
LOWELL A. WEAVER  
Mid-Ohio (Akron)



WIN C. WELDON  
Washington



RALPH E. WHITMOYER  
Detroit



R. EDWIN WOOD, CLU  
San Francisco

## List Speakers For LAA Round Table At N.Y.C.

Talks and panels on what is ahead as well as problems of immediate concern will highlight the eastern round table of Life Advertisers Association March 27-28 at the Barbizon Plaza hotel at New York, according to Goldie Dietel, Equitable Society, chairman of the round table.

Guest speakers at the opening day's sessions will include William D. Davidson, Equitable Society, Chicago, chairman of Million Dollar Round Ta-

ble, and Al Seaman, executive vice-president of Compton Advertising, Inc., New York. Panel sessions will cover what LAA has to offer in the fields of recruiting and what is available in helping new agents get established. Charles E. Ferree Jr., director of sales promotion and advertising of Berkshire Life, and John A. Buckley Jr., director of public relations of Guardian Life, will be panel chairman.

### List Other Events

Clifford B. Reeves, vice-president for public relations of Mutual of New York, will be moderator of the policy-

holder relations panel which will open the March 28 morning session. A "hot idea" brainstorming session will follow, led by representatives of the Gotham and Keystone groups of LAA. John L. Cameron, president of Guardian Life, will address the closing session.

Maurice Linder, Edward M. Rosell and William B. Jaeger, all of New York, are among *Travelers'* leading producers who will be honored at the annual meeting of the "Inner Circle" they will become members of Order of the Tower and receive citations of achievement.

## FTC Appoints Babcock Executive Director

WASHINGTON—Harry A. Babcock has been appointed executive director of Federal Trade Commission to coordinate the work of its investigation, litigation, and economics bureaus in development and prosecution of all cases before the commission.

He is a veteran of 36 years with FTC, and was director of its "vital bureau of investigation," whose inquiry into the A&S industry a few years ago led to the filing of many complaints against companies for false and misleading advertising of A&S policies.

Before heading the investigation bureau in 1954, he was special assistant to former FTC Chairman Howry, charged with surveying the commission's investigative activities.

## Ask Mass. OK To Invest In Construction

New England Life has petitioned the Massachusetts legislature to allow life companies to participate in the financing of the proposed multi-million dollar government center in Scollay square center, but the legislation is needed to allow them to supply funds for this type of project.

The program announced by U. S. General Services Administration is designed to promote private investment in the construction of public buildings for occupancy by the federal government. After purchasing the land, this agency solicits bids from life companies and other institutional investors under which the bidders will finance the construction of government projects.

## Home State Life Gives Dividends

The board of Home State Life declared two cash dividends and proposed a stock dividend at a recent meeting in Oklahoma City. Norman A. Morse, president, said the first cash dividend on outstanding common stock will be payable at 15 cents per share, March 10, to stockholders of record February 15; and the second 25-cent dividend will be paid September 10 to stockholders of record August 15. At the annual meeting in March stockholders will vote on a proposal to increase authorized capital from \$680,000 to \$1 million, which will increase the authorized number of \$10 par value shares from 68,000 to 100,000.

# More Than Lip Service!

THIS "STAR OF THE NORTH" insignia marks a company with a friendly family attitude of mutual helpfulness . . . a company which gives *more than lip service* to a formula that works!

THIS FORMULA for successful life insurance selling is based upon (1) The right combination of *organized* sales methods, (2) Tested and proven presentations aimed at selling life insurance to fit *specific needs*, (3) Dramatic, convincing visual sales aids that *really work*, (4) And, above all, shirt sleeve down-to-earth help from Home Office

men who spend their time on the street, with the Field, before ordinary prospects demonstrating how these tools get positive results.

IN ADDITION, our Advanced Underwriting Division recently has applied these same principles to the unlimited frontiers of Programming; Pension and Profit-Sharing Plans; Estate Planning; Wills and Trusts; Taxes; and, in a unique way, Business Insurance.

TOP THIS OFF with a better paying incentive contract, incorporating an unusual combination of persistency fees, and you have the reasons why the "Star of the North" is the guiding light to many a successful agent who has found himself with . . .



*The Agent-Minded*  
**MINNESOTA  
MUTUAL  
LIFE**

*Insurance Company*

VICTORY SQUARE—ST. PAUL, MINNESOTA

## MANAGEMENT CONSULTANTS

### O'TOOLE ASSOCIATES Management Consultants To Insurance Companies

Established 1945  
220-02 Hempstead Avenue  
Queens Village 29, N. Y.

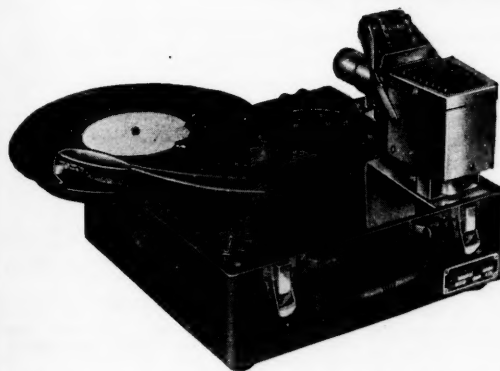
**BOWLES, ANDREWS & TOWNE, Inc.**  
ACTUARIES  
MANAGEMENT CONSULTANTS  
LIFE—FIRE—CASUALTY  
EMPLOYEE BENEFIT PLANS  
RICHMOND ATLANTA NEW YORK  
PORTLAND

### N. Madison Cartmell and Associates

(Successors to Harold C. Pennicke)  
Consultants to  
Home Office Managements  
159 East 49th St. New York 17, N. Y.



# WHAT EQUIPMENT HAS TO DO WITH *Selling Life Insurance*



## BY "AUDIO-VISUAL"



Not so many years ago you could not have sold Life Insurance by Audio-visual because there was no such thing.

But it came—a little at a time—and now, when you need it more than ever before, here it is—perfected.

Films in full color, sound recorded the way it has to be, and projection equipment that looks like it could never be improved.

Selling makes demands on the equipment far different from training.

By the old plan of training, which is fast becoming obsolete, training programs and machines were sent to each office, where the agents congregated to be taught how to sell insurance.

Today that is all changed. A better way has been found. Instead of the audience going to the picture show, the picture show goes to the audience. In other words, the salesman takes the outfit to the prospect, sets it up on the kitchen table, and runs the program to help him **MAKE THE SALE**.

You train by selling, and by helping your man to solve his selling problem **IT SOLVES YOUR RECRUITING PROBLEM**. It attracts men because it sells, and it enables them to make a perfect presentation **THE FIRST DAY OUT**. No weeks of stumbling and flop.

All this puts a new load on the equipment.

It must be light weight or it will not be carried, and you, the sponsor, will take a loss of maybe 50% in results because you do not get the showings you pay for and think you are getting.

It must be in one piece or it will be cumbersome to get around with and will be left in the car.

It must have a safe place for records or they will require a separate carrying case—another sales killer.

It must have a shadow-boxed screen or your picture will be washed out and won't do a selling job for you.

It must have a **PROJECTOR** that puts a sharp image on the screen in perfect focus. No substitute for a projector will give you the kind of picture you must have.

The machine must play a full fifteen minute program **WITHOUT TURNING THE RECORD**.

It must play the kind of records that are standard in the industry, or you will have repeated trouble from this limitation. You may need to play a program and you can't because the machine won't take the record. Or you may need to run your program on another machine and you can't because your record isn't standard.

The machine must be sturdy enough to stand a lot of knocking around. When it is in the shop for repairs it is not selling insurance.

Instead of playing once or twice a week, as in training, it may now play **THREE OR FOUR TIMES A DAY!** This means it must be quick to set up and to pack up, and the salesman must not have difficulty getting it going.

It must be simple to operate. The salesman need not be a mechanic or engineer.

It must have no unnecessary gadgets. Everything must be left off that can be left off.

Sound must be evenly distributed—no moving people around to get them where they can hear. Remember, the audience now is made up of **PROSPECTS**—not your own salesmen.

The sound unit must be a **RECORD PLAYER**. No other kind of reproducer is light enough to be practical, or economical enough.

Nearly all shows have to be run in lighted rooms, hence the machine must run a good picture without turning off the lights.

There must be a stopper to hold the place during interruptions. If you lose the place you may lose the sale.

**EQUIPMENT THAT WAS IDEAL FOR THE OLD PLAN MIGHT BE WHOLLY OUT OF PLACE FOR THE NEW.**

These are only a few of the requirements for equipment to sell Life Insurance.

If they sound to you like good common sense, ask us for more.

**O. J. McCLURE  
TALKING PICTURES**

1115 West Washington Boulevard

CAnal 6-4914

Chicago 7, Ill.

## Editorial Comment

### Company 'Infant Mortality' Low

Within the next few months, perhaps even weeks, there will be 1,300 legal reserve life insurance companies operating in the United States. New life companies are not being organized so rapidly as they were during the past two years, but local promoters, financiers and investors continue to form new companies here and there throughout the country. It is mostly a question of being able to sell the stock in these projected companies with a reasonable degree of ease. For the out-and-out promoter of the snake-oil or medicine-show type, the bloom is definitely off the rose. Easy money is no longer in evidence. Promoting and selling the stock of a new life company is hard work now.

Of the nearly 1,300 life companies now doing business, remarkably few of those that are five years old or younger show signs at present of having to go out of business. It is true that there have been some mergers, and there will be more, but not apparently on a large scale. Some of the larger and older companies in the areas where most of the new companies have been brought into being have set up a special reserve to be used to

purchase newer companies that might get into financial distress.

Such companies as have believed there would be good possibilities of picking up some of the newer companies have been surprised that so few of them have become available for purchase. So far the smaller companies tend to merge with each other, seemingly preferring to do this rather than to offer themselves for purchase by larger companies.

A year or so ago there were many predicting that there would be failures on a large scale among the newer life companies, that most of them were ill-conceived, not managed by experienced life insurance men, and interested only in the sale of new stock from time to time. This was true of a large number of the newer companies, but gradually many of them have put less emphasis on stock sales and more upon developing a productive agency organization. As a consequence the mortality rate among these newer companies has not been high, and may not be. It is certainly going to be far below the figures that were being prophesied a year or two ago.—Howard J. Burrige.

pany in 1905, and was named assistant treasurer in 1920.

**EDMUND B. WHITTAKER**, 55, vice-president in charge of Prudential's



E. B. Whittaker

group insurance department and one of the foremost authorities on group insurance and employee welfare plans, died at Orange, N. J., Memorial hospital following an illness of two months. Mr. Whittaker was born in Cambridge, England, the son of the late Sir Edmund T. Whittaker, for many years professor of mathematics at University of Edinburgh. After serving as an actuarial apprentice at the Scottish widows fund in Edinburgh, Mr. Whittaker came to the United States in 1926 and was for three years in New York Life's actuarial department before joining Prudential as a mathematician. After reorganizing Prudential's entire group setup, he was in 1946 named vice-president in charge of the newly formed group insurance department. He was a fellow of Faculty of Actuaries of Scotland and of Society of Actuaries.

**RAYMOND N. DAILY**, 58, district manager of American National at Grand Rapids since 1946, died. He had been with the company 21 years.

#### Unit Part of Bay Agency

The new Chicago-Belmont detached agency of Prudential, formation of which was reported recently, is a part of Maturin B. Bay & Associates Agency, also of Chicago. This information was inadvertently omitted in the previous story. Mr. Bay has been manager of the parent agency since 1954 and before that was assistant manager.

### N. Y. Assn. Opposes Bill To Require Signs For Agents' Offices

A bill to require life agents to identify their place of business with an appropriate sign outside the building would affect 13,415 of the 36,005 agents licensed in New York, according to a special memorandum to legislators from New York State Assn. of Life Underwriters. Many would be affected adversely.

Although the association is in sympathy with the purpose of the bill, it objects to the measure because of the conflict with local zoning ordinances in some cases. Some agents licensed under sections 115 or 119 live in residential areas where restrictive zoning ordinances prohibit such signs on homes.

Some of these agents are substantial producers who rarely have clients call on them at their place of business, the association said. They work out of agencies sometimes located in distant cities where premiums are collected automatically through the mail. The bill would place an undue burden on such agents and in severe instances, force them to move.

In addition, it would be impossible to meet the requirement of adequate size lettering on the main entrance door of the office because of the size of the door and the number of agents in the office. Some agencies have as many as 30 men. With a normal size door, it would be impossible to letter it with the name of each. Some office buildings do not have space in their directory to list the names of all agents and their occupation, "licensed insurance agent."

### Mass. Mutual GAs Slate Annual For March 17-19

Massachusetts Mutual General Agents Assn. will hold its annual conference March 17-19 at the El Mirador Hotel, Palm Springs, Cal.

President Leland J. Kalmbach will head the delegation from the home office. The program will include panels on recruiting, financial management and sales ideas and a symposium on exchange of ideas. Speakers will include home office executives, general agents and guests. An attendance of 135 is expected.

## Stocks

By H. W. Cornelius, Bacon, Whipple & Co., 135 S. LaSalle St. Chicago, March 11, 1958

	Bid	Asked
Aetna Life	190	195
Beneficial Standard	15 1/4	16 1/4
Business Men's Assurance	61 1/2	63 1/4
Cal.-Western States	92	95
Columbian National	73	75
Commonwealth Life	19 1/2	20 1/2
Connecticut General	261	266
Continental Assurance	120	124
Franklin Life	69 1/2	72
Great Southern Life	70	Bid
Gulf Life	22 1/4	23 1/4
Jefferson Standard	71	73
Kansas City Life	1250	1275
Liberty National Life	29	31
Life & Casualty	19	20
Life of Virginia	94	96
Lincoln National Life	192	196
National L. & A.	81 1/2	84
North American, Ill.	18 1/4	19 1/4
Nw National Life	73	77
Ohio State Life	240	260
Old Line Life	41	44
Republic Natl. Life	38 1/2	41
Southland Life	77	81
Southwestern Life	101	105
Travelers	79 3/4	81
United, Ill.	23 1/2	24 1/2
U. S. Life	30 3/4	31 1/2
West Coast Life	34 1/2	36
Wisconsin National Life	68	71

## The NATIONAL UNDERWRITER



The National  
Weekly Newspaper of  
Life Insurance

#### EDITORIAL OFFICE

17 John St., New York 38, N. Y.  
Tel. BEekman 3-3958 TWX NY 1-3080  
Executive Editor: Robert B. Mitchell  
Assistant Editors: John B. Lawrence Jr.  
and Robert Young Jr.

#### CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.  
Tel. WAbash 2-2704 TWX CG 654  
Associate Editor: John C. Burrige.  
Assistant Editors: Richard G. Ebel,  
William H. Faltyssek and William H. Faricy.  
Production Editor: George H. Downs.

#### ADVERTISING OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.  
Tel. WAbash 2-2704 TWX CG 654  
Advertising Manager: Raymond J. O'Brien

#### SUBSCRIPTION OFFICE

420 E. Fourth St., Cincinnati 2, Ohio.  
Telephone Parkway 1-2140.

#### OFFICERS

Howard J. Burrige, President.  
Louis H. Martin, Vice-President.  
John Z. Herschede, Secretary-Treasurer.  
420 E. Fourth St., Cincinnati 2, Ohio.  
Telephone Parkway 1-2140.

#### SALES OFFICES

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Murray 8-1634. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and John F. MacNamara, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wiegand and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—420 E. Fourth St., Tel. Parkway 1-2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; Roy Rosenquist, Statistician.

CLEVELAND 14, OHIO—1367 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3396. Paul Blesi, Resident Manager.

DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-2725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5964. D. J. Stevenson, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 20, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

LOS ANGELES 64, CAL.—11326 Kingsland St., Tel. TEXAS 0-8159. E. C. Faris, Associate Pacific Coast Manager.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 3, N. Y.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgemuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Richard G. Hamilton, Pacific Coast Manager.

#### CHANGE OF ADDRESS

Be sure to enclose mailing wrapper with new address. Allow three weeks for completion of the change. Send to subscription office, 420 E. Fourth St., Cincinnati 2, Ohio.

## Personals

**James O. Holton Jr.**, president of the Holton agency, St. Louis, was recently elected president of the Aero Club of St. Louis for 1958.

**J. D. Anderson**, agency vice-president of Guarantee Mutual Life, has been elected president of the board of Nebraska Wesleyan university.

**John Hawkinson**, vice-president of Central Life of Des Moines, has been named a director of Mill Owners Mutual, Des Moines.

**Rear Adm. Sidney W. Souers (ret.)**, president and chairman of General American Life, has been elected to the board of Lindenwood college, St. Charles, Mo., succeeding the late Powell B. McHaney.

**John H. Evans**, vice-president, sales, of Home Life of New York, and Miss Charlotte Turner of Royal Oak, Mich., were married.

## Deaths

**MRS. C. B. CRAWFORD**, whose late husband was for many years senior vice-president of Washington National, died at Louisville. Mr. Crawford teamed up with H. R. Kendall, co-chairman of Washington National, in the early days of the company and was a well known figure in the industry.

**IRA L. McKINNIE**, 83, assistant secretary of Franklin Life from 1948 until his retirement last year, died at Memorial hospital, Springfield, Ill. He began his career with the com-

John  
For  
Econ

The  
with  
fiden  
at ha  
stage  
dent  
of Li  
Busin  
"Co  
the p  
devel  
tain a  
be na  
exagg  
by cor  
public  
big ec  
ago re  
tional  
produc  
peak h  
an ove  
figure  
board  
accord  
Arthur  
econom  
council  
the Ei

Econ

The  
basic d  
pause,  
blazing  
further  
have n  
bor an  
creasing  
lation i  
and th  
continu  
search  
have b  
get an  
develop  
space ag

Sees Da

One o  
is the p  
their p  
econom  
to emp  
give th  
This cou  
flationar  
and bri  
prices w  
with th  
brought  
tions. A  
record h  
stopped

## N. Y. Life 1957 Individual Sales Averaged \$8,121

New York Life's individual life policies sold last year averaged a record \$8,121, compared with \$7,022 in 1956.

Payments to policyholders and beneficiaries totaled \$424,762,549, up \$52,136,337. Living policyholders received two-thirds of the total.

Assets reached a peak \$6,424,807,259, up \$185,363,977. Of the total \$3.8 billion was invested in bonds and stocks, \$1.9 billion in mortgage loans and \$700 million in other assets. Net yield on mean assets, after investment expenses but before federal income taxes, was 3.64%, compared with 3.55% in 1956.

New investments in 1957 amounted to \$439,095,095. New mortgage loans came to \$207,024,796. Other new long term investments were \$179,826,187 in bonds, \$37,353,595 in real estate and \$14,890,517 in preferred and common stocks.

## Johnson Sees No Cause For Alarm In Present Economic Situation

There is nothing basically wrong with the American economy that confidence and buckling down to the task at hand cannot overcome and set the stage for a new growth cycle, President Holgar J. Johnson of Institute of Life Insurance told Dallas Better Business Bureau and Rotary club.

"Considering the speed with which the present downward adjustment has developed," Mr. Johnson said, "A certain amount of concern may perhaps be natural. But it's just as easy to exaggerate the extent of the decline by concentrating on a few of the more publicized indices. After all, this is a big economy which only a few months ago reached record high levels in national output and in the gross national product. And the decline from this peak has been nearer to 2 to 2½% on an over-all basis than the much larger figure shown by the federal reserve board's index of industrial production, according to a recent statement by Arthur F. Burns, nationally known economist and first chairman of the council of economic advisers under the Eisenhower administration."

### Economy Still Dynamic

The economy has lost none of its basic dynamism in spite of the current pause, Mr. Johnson said. With science blazing new trails, the frontiers for further advancement and progress have never been more wide open. Labor and management are steadily increasing their know-how. The population is still growing at a record rate and there is every evidence it will continue to do so for years to come. Research and development expenditures have been going up steadily, and will get an additional push from defense developments and the dawn of the space age.

### Sees Danger In "Nostrums"

One danger in the current situation is the possibility that people will let their preoccupation with transient economic developments rush them into employing economic nostrums to give the economy an artificial lift. This could easily revive the latent inflationary pressures in the economy and bring a revival of the rise in prices which had had so much to do with the maladjustments that have brought on present economic conditions. After all, living costs are still at record high levels. They have merely stopped going up, he stated.

## Lincoln National Life Names Five

(See photo at right)

Five executive promotions and appointments have been made by Lincoln National Life. Fred W. Clark has been named second vice-president; Gordon C. Reeves, a member of the finance committee; Clifford L. Gamble, to superintendent of agencies; Dr. John W. Barch and Dr. Paula Bailey Ward, assistant medical directors.

Mr. Clark joined the company in 1934 and has been assistant actuary, associate actuary and assistant vice-president before his present promotion. Mr. Reeves, general counsel, joined the company in 1931 and has served as assistant counsel, attorney for the trustees of Royal Union Life, assistant and associate general counsel before being named general counsel in 1955. Mr. Gamble has been in Lincoln National's home office since 1937 and has been assistant superintendent of agencies since 1954.

Dr. Barch, a specialist in internal medicine, has been on the company's medical staff since 1957. Dr. Ward, also an internal medicine specialist, joined Lincoln National's medical staff in 1956.



Promoted at Lincoln National Life: Left to right, Dr. Paula Bailey Ward, assistant medical director; Fred W. Clark, 2nd vice-president; Dr. John W. Barch, assistant medical director; Clifford Gamble, superintendent of agencies; Gordon C. Reeves, finance committee member.

## N. Y. C. Assn. Revises Agents License Course

Max H. Weis, Penn Mutual, chairman of the life agents' qualification training course of New York City Assn. of Life Underwriters, has completed plans for a streamlined revision of the course started in April. The course prepares prospective agents for the New York state life license examinations.

The syllabus has been rewritten with a view to presenting a more compact program. Day and evening sessions will be available and the course has been condensed into five sessions of two hours each, followed by a half-hour discussion period instead of the former 11 sessions of three hours each.

Assisting Mr. Weis in the revision of the course were Albert J. Hammerle, Penn Mutual; Andrew F. Kinbacher, supervisor of New England Life, and Stanley R. Wayne, general agent of Mutual Benefit Life. Messrs. Hammerle, Kinbacher and Joseph P. LoTruglio, supervisor of Union Mutual, will assist Mr. Weis as lecture chairmen.

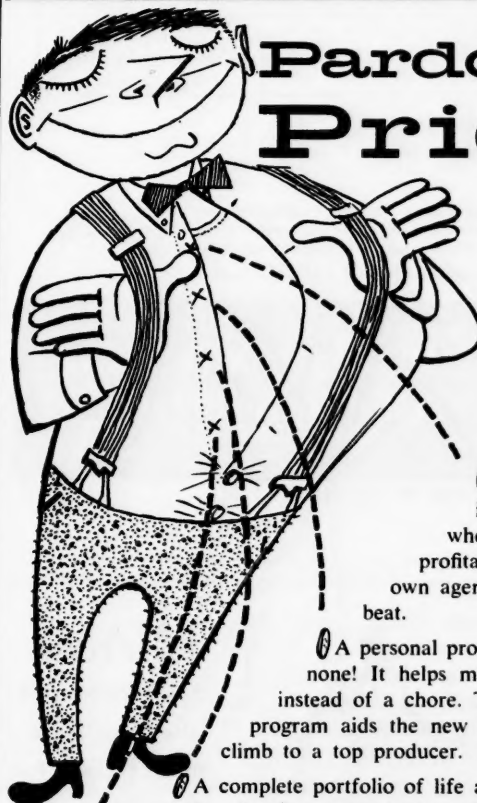
## ALC, LIA Advocate Competitive Interest Rate On VA Home Loans

Housing legislation to enable mortgage loans under the veterans home loan guarantee program to obtain a larger share of available mortgage credit was advocated by American Life Convention and Life Insurance Assn. of America in a joint statement to the Senate banking and currency committee.

ALC and LIA, pointing out that the decrease in VA loans during the past year was due principally to the fixed interest rate of 4.5%, said that capital funds are beginning to flow freely again into FHA mortgages because generally softening interest rates make the FHA rate of 5.25% more attractive to lenders. Increasing the maximum interest rate of VA loans would enable them to compete more freely in the mortgage market.

The associations opposed legislation to increase the mortgage purchasing power of federal national mortgage association. They said mass purchasing of VA mortgages by FNMA constitutes a support for artificially low interest rates and creates conditions conducive to a resurgence of inflation.

## OWN YOUR OWN AGENCY



## Pardonable Pride...

... every once in a while a fellow just has to "pop his buttons" because he knows he has something great! For the man interested in agency management, we've got...

① The Top agency building contract! For the man who is looking ahead to a profitable, secure future in his own agency, our contract can't be beat.

② A personal producer's contract second to none! It helps make recruiting a pleasure instead of a chore. The Home Office training program aids the new agent in making a rapid climb to a top producer.

③ A complete portfolio of life and S&A insurance plans, designed to fit every prospect and his particular needs. They include a low-cost whole life plan, Family Guardian (family group plan), Major Medical Catastrophe Insurance plans, and the most versatile decreasing term riders ever devised.

④ Some excellent territories still open (including a few major cities) in the United States and Canada.

If you want to "pop your buttons" in your own agency with a rapidly growing organization, contact The Maccabees, a Life Insurance Society, Detroit 2, Michigan.

**THE MACCABEES**  
a Life Insurance Society

Founded in 1878

Home Office  
Detroit 2, Michigan

## Wishing a Good Thing Would Come Along?



Then we suggest you check  
ANICO'S brokerage line of

- ✓ COMPETITIVE POLICIES
- ✓ COMPETITIVE COMMISSIONS

*you will like  
our service, too!*

### ANICO SALES LEADERS

Family Policy.  
\$10,000 minimum special.  
\$25,000 minimum special.  
Life with Family Income  
to age 65.  
Income Conversion Rider.  
Annuities.

All forms of A&H.  
Complete line of  
mortgage protection.  
Pre-Authorized Check plan.  
Gtd. Issue on Pension and  
Profit-Sharing plans.  
Family Income Term Policy.

Openings everywhere in territory for  
REPRESENTATIVES, BROKERS, SPECIAL BROKERS

Inquiries about these or other openings for  
those with special qualifications and experience will receive  
prompt attention and answer. For information address:  
COORDINATOR OF SALES



**AMERICAN NATIONAL  
INSURANCE CO.**  
GALVESTON, TEXAS

OVER 4 BILLIONS OF INSURANCE IN FORCE



## MIAMI

The finest place  
in the country for  
you and your  
family to live  
and work.

Agent's and General Agent's contracts available to qualified men.

Incentive Financing-Free Group Hospitalization and Life Bonuses.

### STOCK OPTIONS

Send resumé and photo to:  
Granville H. de Roode

**American Life Savings Insurance Co.**

2397 Coral Way

Miami, Florida

## Changes In The Field

### Northwestern Mutual

Northwestern Mutual Life has appointed **O. Alfred Granum** to the newly created post of production manager of the John H. Jamison general agency, Chicago. Mr. Granum, since 1955 an assistant director of agencies at the home office took over his new position March 1.



O. A. Granum

Mr. Granum went with the company in 1946 as a special agent in Amery, Wis. A life member of the Million Dollar Round Table and a CLU, as an assistant director of agencies he has supervised 15 general agencies.

He is widely known as a speaker and has been featured on the annual MDRT convention programs, National Assn. of Life Underwriters and LIAMA.

### Mutual Trust Life

**Bernard M. Eiber** is leaving the Bergen - Eiber agency of Mutual Trust Life in Brooklyn to open a law office in Manhattan. A member of the bar since 1951 and current president of New York City CLU chapter, Mr. Eiber will specialize in estate planning consultation, business insurance and tax matters.



B. M. Eiber

**Bernard A. Bergen** will become sole general agent and continue the agency under the Bergen-Eiber name. The partnership was formed in 1952 and has been the company's leading agency since that time. The change was announced at an agency dinner.

### Equitable Society

Equitable Society has entered Hawaii and opened an agency in Honolulu. **H. F. Wild**, unit manager at Sacramento since 1949, has been named manager. He joined the company at Pittsburgh in 1937. **Glen E. Thompson**, who was a field assistant in Mr. Wild's unit, has been named assistant manager.

Other new unit managers are **Gordon N. Jacobson**, Menomonie, Wis.; **James R. Ristow**, Rice Lake, Wis.; **Marvin F. Wendorf**, Green Bay, Wis.; **Joseph T. de Freitas Jr.**, Sacramento; **Harvey N. Rose**, Reno; **Wilbur W. Long**, Shreveport; **Joseph M. Richardson**, Ruston, La.; **Albert B. Brant** and **Jack A. Erickson**, Boston; **Robert H. Hall Jr.**, Petersburg, Va.; **William B. Lee III**, Anniston, Ala., and **Paul H. Robinson Jr.**, Chicago.

### Occidental Of California

**Ralph J. McCartney** has been named assistant manager at San Antonio. He has been an agent there since 1956.

**Don Watson Jr.** has been appointed brokerage manager at Oakland, Cal. Mr. Watson previously had been an agent in Los Angeles for Fidelity Mutual Life and a general insurance agent.

**Robert M. Crow** has been appointed brokerage manager in the recently opened Des Moines office. He was previously an agent in Des Moines for New York Life. **Marion C. Caddell** was named manager at Birmingham, Ala. He has been brokerage manager for Occidental at Jacksonville, Fla., since 1955. Before that, he was an agent in

Jacksonville for Connecticut Mutual Life.

**Stanley A. Gitre** has been appointed general agent at Harper Woods, a suburb of Detroit. He has been manager of the company's Detroit branch office since 1949.

**Jerry Giroir Jr.** has been made brokerage manager at Jacksonville. He is joining the company after serving as an agent for Aetna Life since 1956. Previous to that, he had been with Fidelity & Casualty.

**Trellis T. House** has been appointed brokerage manager at Daly City, Cal., succeeding Joseph Oaks who has become assistant manager of the Occidental branch office there. Mr. House previously had been an agent for Penn Mutual Life and district manager of Farmers Ins. Co.

### Paul Revere

**William H. Elder Jr.** has been named general agent of a new agency of Massachusetts Protective and Paul Revere Life at Macon, Ga. He has been manager of Liberty Life at Charlotte and previously was assistant manager of Connecticut General at New York.



W. H. Elder Jr.

### Life Of North America

**Walter R. Ross** has been appointed manager of Life of North America at Kansas City. He joined the company as field manager at Philadelphia last October. He was unit supervisor of Provident Mutual from 1955 to 1957 and was with Prudential from 1946 to 1955. He is a CLU.



W. R. Ross

**Arvid B. Gose** has been appointed a home office group service specialist of Life of North America at Baltimore. He was in group sales with Travelers at Peoria for five years.

**Laurence D. Bredwell** and **George E. Mansur Jr.** have been appointed assistant managers of Life of North America at Philadelphia. Mr. Bredwell has been an assistant manager of New York Life. Mr. Mansur has been a supervisor of Provident Mutual.

### Indianapolis Life

**John W. Simms Jr.** has been named general agent at Orlando, Fla., by Indianapolis Life. Mr. Simms has been in the field six years, engaged in recruiting, training and production. He is a graduate of LUTC course.



J. W. Simms Jr.

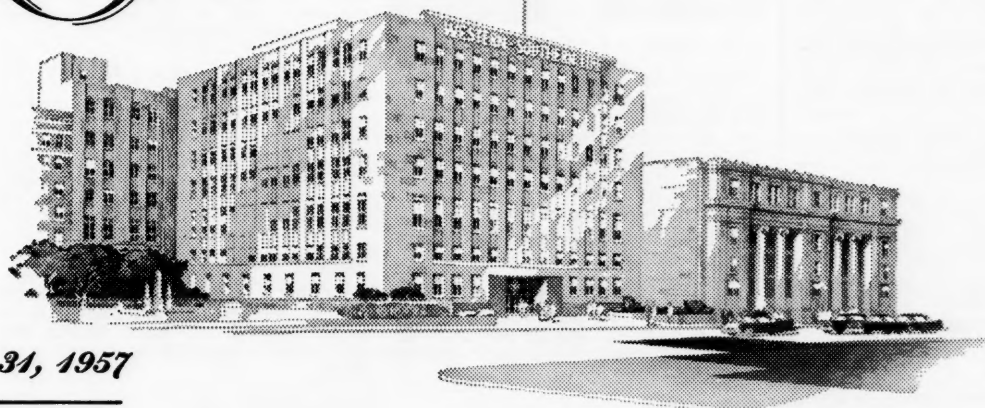
### Liberty National Life

**John E. Long**, **W. B. Hamlin** and **Frank Fowler** have been appointed district managers of Liberty National Life at Tampa, Scottsboro, Ala., and Fitzgerald, Ga., respectively. Mr. Long has been manager at Scottsboro since last year and previously was associate

## WESTERN AND SOUTHERN LIFE



# 70<sup>TH</sup> Annual Statement



December 31, 1957

## Assets

United States Government Bonds.....	\$160,728,182.88
Municipal and Corporation Bonds.....	135,145,110.19
Stocks.....	33,088,939.45
Mortgage Loans.....	416,944,091.47
Ground Rents.....	11,758,983.15
Real Estate:	
Properties Occupied by the Company....	6,603,402.80
Investment.....	3,297,883.26
Policy Loans.....	21,366,350.56
Cash on Hand and in Banks.....	16,679,088.30
Accrued Interest and Rents.....	3,906,725.79
Premiums in Course of Collection.....	10,404,505.90
Other Assets.....	200,888.28
<b>TOTAL.....</b>	<b>\$820,124,152.03</b>

## Liabilities

Statutory Policy Reserves.....	\$719,899,961.00
Policy Proceeds and Dividends	
Left with Company.....	9,737,493.00
Dividends to Policyholders	
Payable in 1958.....	10,170,811.00
Policy Benefits Currently Outstanding.....	2,071,422.11
Premiums and Interest Paid in Advance.....	4,292,819.89
Accrued Taxes Payable in 1958.....	3,506,312.51
Escrow Accounts and Unallocated Funds....	4,155,254.87
Other Liabilities.....	1,761,561.66
Security Valuation Reserve.....	2,463,348.10
Reserve for Mortgage Loan Fluctuation	
and Other Contingencies.....	1,000,000.00
Reserve for Ultimate Changes in	
Policy Valuation Standards.....	6,000,000.00
Surplus.....	55,065,167.89
<b>TOTAL.....</b>	<b>\$820,124,152.03</b>

The great progress made in 1957 is evidenced by our 70th Annual Statement. The past year was one of expansion. The operations of the Western and Southern became national in scope. Divisional offices were established at Philadelphia, St. Louis, Galveston, Asheville, N.C. and Los Angeles. New goals were attained in every important item which denotes progress and policyholders' acceptance of a life insurance company. Assets at the end of the year were in excess of \$820,000,000, an increase of \$98,925,371. Total insurance protection guaranteed by the Western and Southern was more than \$4 billion. Insurance in force increased by \$747,460,096.

We are proud to present this statement. This proof of confidence by our policyholders is appreciated. We thank our fellow officers, as well as every member of our Home Office and Field Staffs whose loyalty and hard work have made this record of progress possible. We affirm our adherence to the high ideals and principles which has made life insurance the financial bulwark of America and her citizens.

WILLIAM C. SAFFORD  
President

## THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY

A Mutual Company • HOME OFFICE: CINCINNATI, OHIO

SOUTHEASTERN DIVISION OFFICE  
Asheville, North Carolina

MID-CONTINENT DIVISION OFFICE  
St. Louis, Missouri

WESTERN DIVISION OFFICE  
Beverly Hills, California



### THINGS ARE JUST A LITTLE BIT BETTER AT GUARANTY SAVINGS!

Interested in a career agency of your own? General Agent openings (some established) in Alabama, Georgia, Florida, Mississippi, Louisiana, South Carolina, Tennessee.

Call Collect  
Lee Roy Ussery,  
President  
AM 3-1028



### GUARANTY SAVINGS LIFE

Home Office — Montgomery, Ala.

manager at Brewton, Ala., for nine years. He succeeds J. D. Peters, who will remain with the company as a personal producer at Tampa. Mr. Hamlin has been manager at Fitzgerald since 1955 and previously was associate manager at Tuscumbia, Ala., and Huntsville, Ala. He succeeds Mr. Long at Scottsboro. Mr. Fowler, who succeeds Mr. Hamlin at Fitzgerald, has served as associate manager at Huntsville, Knoxville and Oneonta, Ala.

#### Provident Mutual

Woods P. Stringfellow and Albert R. Elmore have been named managers of Provident Mutual at Houston and



A. R. Elmore



W. P. Stringfellow

Tampa, respectively. Both have been in the company's management training section. Mr. Elmore has been acting as supervisor in charge of the Tampa office, which has become an agency.

#### Guarantee Mutual Life

Loren S. Frankson has been appointed general agent at Spring Valley, Minn., to succeed John N. Osterud, who is retiring after 22 years with the company. Mr. Frankson has been with Guarantee Mutual for 21 years and has been an associate general agent for nine.

#### B.A.R.E.

James W. Clark has been appointed Oklahoma general agent of Benefit Association of Railway Employees. His new duties will include naming local representatives in the state.

#### Mutual Of New York

##### Frederick Oliver



Frederick Oliver

will become manager of Mutual of New York at Hackensack, N. J., on April 1. He will succeed Curt M. Rosenberg, who has been named manager at Newark. Mr. Oliver joined Mutual's home office staff for special managerial training in 1956 and was advanced to project supervisor in the market development division of the sales department last year. He previously was with Prudential and Equitable Society.

#### American Mutual Life

Joseph J. Cook, Corning, Ia., has been named general agent for southwestern Iowa. He has been in the business since 1943. Q. D. Stevens has been appointed general agent at Council Bluffs, Ia. He will serve seven western Iowa counties.

#### General American Life

Gordon G. Mandt has been appointed general agent in charge of a newly formed agency at Houston. The agency will service that territory as well as Corpus Christi where Mr. Mandt was previously general agent. He has been with the company since 1955.

#### Pacific Mutual Life

Samuel J. Besner Jr. has been named mortgage loan manager at Louisville. He has been Pacific Mutual's loan supervisor at Detroit since 1955.

#### New York Life

Donald K. Ross has been appointed an assistant vice-president and placed in charge of New York Life's San Francisco investment office. He succeeds Wilson M. Underwood, assistant

vice-president, who is being given additional responsibilities in the investment department at the home office. Mr. Underwood established the San Francisco office in 1954. Mr. Ross joined the company in 1948 and was promoted to executive assistant and assigned to the San Francisco office in 1956.

#### Ohio National Life



R. V. Sundquist

Ralph V. Sundquist has been appointed general agent at Santa Ana, Cal., for Ohio National Life. He has been supervisor and agent in Ohio National's Chicago agency for the past four years.

#### Guardian Life

Guardian Life has opened an agency at Hicksville, Long Island, N. Y., and appointed William Krauss and Harold Goldberg managers. Mr. Krauss entered the field in Brooklyn in 1947 and has been manager of Mount Vernon Life at Hempstead, N. Y. He is a CLU. Mr. Goldberg entered the business in 1955 and has been with Mount Vernon Life at Hempstead. The Krauss-Goldberg agency is in the Meadowbrook Bank building in Hicksville.

#### Northwestern National Life



J. H. Cartwright

James H. Cartwright has been appointed regional group manager for Northwestern National Life at Chicago, with offices at 1 North LaSalle street. He has had previous experience in group sales work.

#### Great Southern Life

Two new agency managers have been named: George A. Wilcox at Austin; and James C. Pomeroy at Wichita Falls, Tex. Mr. Wilcox joined Great Southern at Corpus Christi in 1954 and qualified for managerial training in 1956. Mr. Pomeroy, who also attended Great Southern's managerial training school, started his insurance career in 1954.

#### Prudential

Ugo J. Santangelo has been named district manager of Prudential in Philadelphia to succeed George W. Floyd, who has been transferred to another agency in the same city. Mr. Santangelo has been a training consultant in the Philadelphia regional office since August.

#### Western Life

Thomas J. Curley has been named general agent of Western Life at St. Paul. He was formerly agent and supervisor with Penn Mutual.

#### Pilot Life

Frank DeLancey has been appointed supervisor of Pilot Life at Asheville. He previously was with Northwestern Mutual and Jefferson Standard.

**SOUTHERN CHRISTIAN LIFE**, Oklahoma City—Four district managers have been appointed: Harvey Wheat, McAlester, Okla., former district manager of University Life; C. L. Garrett, Tulsa, formerly with Western Security Life; Harold File, Bristow, Okla., formerly with Great Western Life; and John Holliday, Oklahoma City, formerly with Combined.

## THE FARMERS & BANKERS LIFE INSURANCE COMPANY

THE 47th ANNUAL STATEMENT showing conditions as of December 31, 1957

Assets		Liabilities	
Cash in Bank . . . . .	\$ 876,149.97	Legal Reserve on Policies . . . . .	\$36,955,763.67
Bonds . . . . .	9,331,584.65	Commissioners Security Valuation Reserve . . . . .	198,901.66
U. S. Government . . . . .	\$5,173,803.47	Unrealized Profit on Stocks . . . . .	42,270.37
Foreign Government . . . . .	73,871.06	Reserve to Provide for Fluctuation of Mortality and Market Value of Assets . . . . .	2,304,202.32
State, County, Municipal . . . . .	1,903,760.26	Credits to Policyowners Left with Company on Deposit at Interest . . . . .	1,023,357.93
Public Utility and Industrial . . . . .	2,180,149.86	Taxes Payable in 1958 . . . . .	168,632.09
Stocks . . . . .	1,661,214.20	Claims Reported but Proof Not Completed on or Before December 31, 1957 . . . . .	61,288.64
Preferred . . . . .	1,361,966.20	Premiums and Interest Paid in Advance . . . . .	343,086.06
Common . . . . .	299,248.00	Special Funds Payable to Policyowners in 1958 . . . . .	9,925.08
Real Estate Owned . . . . .	1,095,294.44	Employee Pension Fund . . . . .	27,885.02
Home Office Property . . . . .	365,000.00	All Other Liabilities . . . . .	96,021.18
For Investment Purposes . . . . .	715,357.13	Capital and Surplus . . . . .	2,075,000.00
R. E. Sales Contracts . . . . .	14,937.31	Total Liabilities . . . . .	\$43,306,334.02
First Mortgage Loans . . . . .	26,300,651.41		
Farm Properties Conventional . . . . .	1,165,715.15		
FHA & Veterans . . . . .	8,359.29		
City Properties Conventional . . . . .	24,386,977.48		
FHA & Veterans . . . . .	739,599.49		
Loans Secured by Legal Reserves			
On Policies . . . . .	3,077,674.07		
Interest Due and Accrued . . . . .	277,903.84		
Other Assets . . . . .	32,235.63		
Net Premium in Process of Collection . . . . .	653,625.81		
Total Admitted Assets . . . . .	\$43,306,334.02		

For the Protection of Company Policyowners we had on deposit with the State of Kansas, December 31, 1957, \$36,968,839.20. This amount is more than required by law. Insurance in Force December 31, 1957, \$141,014,663.00 Paid to Living Policyowners and Beneficiaries during 1957, \$1,955,375.25. Paid to Living Policyowners and Beneficiaries Since Organization, \$34,488,859.91.

The Farmers & Bankers Life Insurance Company operates under the Kansas Compulsory Reserve Deposit Law, and every Life Policy issued by this Company is registered with the Insurance Department of the State of Kansas and bears that Department's Registration Certificate. Approved securities in excess of the Company's legal reserve liability are on deposit with the State Treasurer of the State of Kansas.

R. L. BURNS, President

FRANK B. JACOBSHAGEN, Vice Pres.-Secretary

J. H. STEWART, JR., Vice Pres.-Treasurer



## Home Office Changes

### Southwestern Life

**Leon W. Ellsworth**, secretary, has been named to the new post of vice-president for administration. **W. Dawson Sterling**, former assistant secretary, succeeds Mr. Ellsworth as secretary. **Charles A. Stallard**, has been promoted from auditor to 2nd vice-president and controller. He joined Southwestern Life as an agent at Brownsville, Tex., in 1949.



L. W. Ellsworth

Four staff members were named assistant secretary: **Harmon Hodge**, former senior methods analyst, has been with the company since 1948; **Donald Stubblefield**, also former senior methods analyst, has been given charge of methods and planning; **Douglas M. Ibbott**, who has been chief underwriter since 1951, will retain that post as assistant secretary; **Albert E. Wood**, will continue as manager of group services division which he has been for two years.

### John Hancock

**Robert E. Dye** has been appointed superintendent of agencies for the eastern division of John Hancock's general agency department. **Jack L. Nicoll** has been named manager of field administration. **William F. Kiel Jr.** becomes manager of field training and **R. Morton Claflin** becomes manager of sales promotion. Mr. Dye had been in the business 17 years when he was named assistant superintendent of agencies in early 1956. He became superintendent of agencies, field sales service, four months later. Mr. Nicoll joined the general agency department in 1949 after 20 years' administrative experience in the ordinary insurance, finance and auditing departments. He has been supervisor of field accounts since 1952. Mr. Kiel joined John Hancock at Charleston, W. Va., in 1946 and has been assistant manager of field training since 1955. Mr. Claflin joined the company as administrative assistant in the general agency department in 1953 and has been assistant manager of sales promotion since 1956.

### Prudential

**Edward B. Simmons** has been promoted to investment manager of Prudential's bond department. He joined the company as associate investment manager in 1956. He previously had been a financial analyst of First National City bank of New York.

**Dr. Arthur F. Mangelsdorff** has been appointed director of employee health of Prudential. He joined the company as associate director a year ago after 26 years with American Cyanamid Co., where he had been assistant medical director since 1946.

### First United Life

**Paul L. Pappas** has been appointed superintendent of agencies. He has been director of public and personnel relations of Bankers Life & Casualty, and was also in charge of home office recruitment and held various positions in Bankers L. & C. agency department.

### Minnesota Mutual Life

Three new members have been elected to the board: **Carl R. Anderson** and **Franklin Briese** of St. Paul, company vice-presidents; and **Russell R. Staudacher** of Chicago, executive secretary of Student American Medical Assn. Mr. Anderson joined Minnesota Mutual in 1921 and became a vice-

president in 1943. Mr. Briese became treasurer in 1946 and treasurer and vice-president in 1954. Mr. Staudacher had been executive secretary of the AMA's Student American Medical Assn. and editor and publisher of its monthly magazine, *The New Physician*, since 1951.

**Vernon Erickson** has been named chief accountant, succeeding the late **Edwin A. Pomplum**. Mr. Erickson, who has been with Minnesota Mutual since 1947, started as a clerk in the accounting department and became supervisor of statements and reports in 1950.

### Midland Mutual

The company has entered Arizona and **John A. La Sota** has been named general agent at Phoenix. He will represent Midland Mutual in eight counties.

### Great American Life

**Paul Fisher** has been named general manager of Great American Life of Indianapolis, not Great Fidelity, as was erroneously reported last week. **Elda**

**Pavy** continues as president of Great Fidelity, which has no connection with the Great American transaction. The NATIONAL UNDERWRITER regrets the mistake.

Great Fidelity was organized in 1952 and has made steady progress since Mr. Pavy took over the presidency in 1953. The company passed \$30 million in force Dec. 31.

### Atlantic Life

**K. A. Turner Jr.**, manager of mortgage loans of Atlantic Life since 1951, has been promoted to assistant vice-president. **Raymond G. Cleek**, senior underwriter since 1952, has been advanced to chief underwriter and assistant secretary. **William S. Harris**, manager of the policyholders' service division since 1954, has been promoted to assistant secretary.

### Old American

**Robert C. Rhoades** has been appointed training supervisor in the agency sales department. Formerly he was field representative of Old American in Gentry county, Mo.

**Harold C. Wedel** has joined the company as personnel assistant to D. M. Johnson, secretary.

### American United Life

**Kenneth E. Truax** has been named superintendent of agencies for American United. He will supervise one-third of the company's agencies. Mr. Truax joined American United's home office agency staff in 1956 following nine years of experience in the business.



K. E. Truax

**Sherman M. Jensen** has been elected vice-president in charge of group insurance. He has been with American United since 1955 as head of the group department, and has been in that line for 11 years.

**FARMERS & BANKERS LIFE**, Wichita—**Floyd Bash**, actuary since 1951, has been named vice-president and actuary. **R. W. Wait**, with the company for 21 years and chief underwriter since 1950, has been appointed secretary to replace **Frank B. Jacobsen**, who has retired. **Homer E. Shaw**, with the company 35 years, has

## LIFE WITH PROVIDENT

### PROVIDENT PROGRESS

#### LIFE INSURANCE IN FORCE

1937	\$112,046,898.00
1947	\$452,576,345.00
1957	\$2,225,496,603.00

#### ACCIDENT AND HEALTH PREMIUMS

1937	\$5,685,952.08
1947	\$19,585,413.31
1957	\$66,261,253.66

Another year of outstanding production gains—thanks to an outstanding group of career Provident producers and brokers.



**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**  
Chattanooga—Since 1887

LIFE ACCIDENT SICKNESS HOSPITAL SURGICAL MEDICAL

## Meet the MILLIONAIRES with the GUARANTEE

We are proud of the sales achievement made by these men with the Guarantee. They are the leaders of an enthusiastic team of field men who produced 36% more Life business and 29% more Accident and Sickness business in 1957 than was produced in 1956, our previous record year. In 1958 we will continue to expand our field organization.



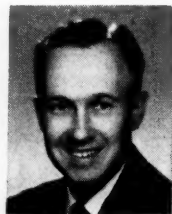
**Gordon E. Mackey**  
Rothaus Agency  
Greeley, Colorado



**Boyd Flinders**  
Flinders Agency  
Burbank, California



**Abe Newman**  
Lifsz Agency  
Akron, Ohio



**R. H. Mikkelsen**  
Knutsen Agency  
Portland, Oregon



**Richard E. Sauder**  
Clevenger Agency  
Ft. Wayne, Indiana

Write to J. D. Anderson  
Agency Vice President  
1805 Douglas Street  
Omaha 2, Nebraska

**RALPH E. KIPLINGER, President**



# Let's talk

### "TO GUIDE YOUR STEPS"

Here is a brand new sales-service tool—that every one of your policyholders and prospects should complete for his wife.

In a comprehensive, yet simple and compact form, this Guide records what is owned, what is owed, and what to do immediately following the husband's death.

Handsomely printed, cord-bound, 20 pages, 7 x 10 size. A prestige builder for you! 2-9 copies, 87¢ each; 10-49 copies, 83¢ each.



## THE INSURANCE RESEARCH & REVIEW SERVICE

Hilbert Rust, C.L.U., President  
INDIANAPOLIS

been named assistant secretary in charge of advertising, sales promotion and purchasing.

### Praetorian Mutual

**Clifford E. McDonald** has been assigned to set up and manage an A&S department. For the past six years Mr. McDonald has been vice-president and agency director of International Fidelity and prior to that was with Great American Reserve. He is a past president of International Assn. of A&H Underwriters.

**CAPITOL LIFE** of Tennessee—**Bernie J. Rohling** has been named agency director for the company and **William J. Blackman** supervisor of agencies. Before going with the company, Mr. Rohling was agency supervisor and regional agency manager for Lamar Life and agency manager for Bankers Life of Iowa. Mr. Blackman was formerly a district manager for Mutual Benefit Life.

**SEABOARD LIFE** of Miami—The number of directors has been increased from 15 to 24. New board members include **Alvin C. Wolff**, general agent of Postal Life at New York; **Wayne Wallace**, president of University Life of Norman, Okla., and **Jefferson Davis Life** of Mississippi, and **Clyde Higginbotham Jr.**, president of Higginbotham & Co., general agency at Jacksonville.

**WOODMEN ACCIDENT & LIFE**—**L. J. Melby**, agency vice-president, has been promoted to vice-president and director of agencies; **O. C. Wood**, claims vice-president, to vice-president and director of claims; **J. C. Angle** to vice-president and actuary; and **C. W. Faulkner** to 2nd vice-president and superintendent of agencies.

**BALTIMORE LIFE**—**Dudley Shoemaker Jr.**, treasurer since 1955, has been elected vice-president. **George G. Radcliffe** has been promoted from assistant treasurer to treasurer. **Louis H. Soule** and **Edward W. Gosling** have been appointed assistant vice-presidents.

**HOMESTEADERS LIFE** of Des Moines—**J. C. Butler**, secretary-treasurer, has been advanced to 1st vice-president and treasurer; **J. P. Kacmarynski**, assistant secretary and actuary, to secretary and actuary; and **Robert Dreher** to associate counsel.

**MIDWESTERN UNITED LIFE**, Ind.—**Earl G. Schwalm**, president of Lincoln National Bank & Trust Co., Fort Wayne, has been elected to the board of Midwestern United Life.

**VULCAN LIFE & ACCIDENT** of Birmingham—**E. J. Pate**, proprietor of Pate Supply Co. of Birmingham, has been elected a director.

### Lincoln Assn. Boosts Good Science Students

Lincoln (Neb.) Assn. of Life Underwriters has set out to encourage, sponsor and recognize boys and girls with scientific abilities.

The association has set up a committee and has scheduled a talk by a scientist from the University of Minnesota in April. At this meeting, each member will have an outstanding student as his guest.

The activity will constitute an entry in the joint public service award program of Institute of Life Insurance and NALU.

### Hancock To Finance Two Buildings

U. S. General Services Administration has ruled acceptable two bids by John Hancock for financing construction of two federal buildings in New England.

The rate of 4.574 was John Hancock's bid for financing a maximum of \$2,710,000 for a post office and court house at Burlington, Vt. This was the lowest of seven bids. On a maximum

of \$390,000 for the construction of a post office in Durham, N. H., a rate bid of 4.625 by John Hancock was the lowest of four bids. These bids offered the lowest financing rates since the 4% interest rate ceiling was removed in October. GSA is expected to ask for construction bids on the two lease-purchase projects soon.

The **Joseph M. Gantz** agency of Pacific Mutual Life in Cincinnati has become the first annual winner of that company's new president's trophy "in recognition of leadership in quality agency operations among a nationwide organization of 76 field agencies."



## THINK...

- ❓ WHY are you paid the same commission as the lowest producers in your agency when you are consistently a top producer?
- ❓ WHY do so few companies vest renewal commissions?
- ❓ WHY do you receive little continuing reward for attracting good producers to your agency?
- ❓ WHY are your renewal commissions for low lapses the same as paid to other representatives for high lapses?
- ❓ WHY is your renewal commission schedule so low if persistency is so vitally important?
- ❓ WHY are smaller renewal commissions paid over a long period of time instead of larger commissions paid over a short period?
- ❓ WHY has the Accident and Health Division of All American Life & Casualty Company enjoyed the most spectacular growth in the business? From the standpoint of premium income, All American now ranks among the top 125 companies.
- ❓ WHY is All American Life & Casualty Company, having started writing Life Insurance in July, 1956, already producing approximately one million a week?

If you want straightforward answers to all of these questions . . . write—

**E. E. BALLARD, President,**

**ALL AMERICAN**  
*Life & Casualty*  
Company  
CHICAGO  
General Offices All American Building  
PARK RIDGE, ILLINOIS

## DISCOVER THE DIFFERENCE



### HE DID IN 1879\* YOU CAN IN 1958

You can Discover the Difference in 1958 faster and easier than he did. If you're like many life underwriters you've been searching for the company which can help you make life insurance a career instead of a job without a definite future. We feel we are the company with the difference . . . here's why:

- Top first year and renewal commissions for General Agents and Agents. (Liberal vesting provisions.)
- Office allowance to General Agents
- Lifetime service fee.
- Liberal retirement plan.
- Hospital benefits for self, dependents.
- Disability income when sick or disabled.
- Group life insurance.
- Complete portfolio of modern policy forms for better production.
- Excellent sub-standard facilities enabling you to serve a larger clientele.

Important? Of course, because isn't it true . . . you've been so busy creating security for others you've forgotten the most important person of all — yourself — and your own security at age 65?

For more detailed information on these important differences contact:

**MARC F. GOODRICH, C.L.U.,**  
Assistant Director of Agencies

\*THOMAS A. EDISON, who showed the world the difference when he invented first practical, commercial incandescent light in 1879. He had more than 50 inventions to his credit, including phonograph, motion pictures, etc.

**SECURITY BENEFIT LIFE**  
INSURANCE COMPANY  
TOPEKA, KANSAS  
Founded 1892  
A Mutual, Legal Reserve Company

### Paul Revere And Mass. Protective Premiums In '57 Were \$29.5 Million

Combined non-cancellable disability premium of Paul Revere and Massachusetts Protective stood at \$29.5 million at the end of 1957. Paul Revere life insurance in force rose to \$648,-191,424.

Massachusetts Protective's non-can A&S premiums totaled \$11,846,703. Assets were \$67,881,623. Payments to policyholders and beneficiaries came to \$5,336,000.

Paul Revere premiums on disability policies rose to a record \$18,006,021. Group life in force totaled \$204,602,-884. Total group annual premiums in force rose to a record \$8,404,065.

Paul Revere assets stood at \$139,-355,402. Payments to policyholders and beneficiaries amounted to \$17,-390,227. Net yield on investments increased to 4.01%, up 23 points. In Canada, premium income increased 35.8% while new business figures showed a 27% gain.

### Lincoln Income Life Reports '57 Gains

Lincoln Income Life's insurance in force increased by \$33,887,000 to a total \$202,030,000 at the end of 1957—up 20% from 1956. Assets rose to \$13,-610,000, a gain of \$1,488,000—12% above 1956. Surplus funds totaled \$2,-610,000, representing 19% of the company's assets.

President John T. Acree Jr. disclosed that assets are up 656% since 1947, and insurance in force has gained 99.9% since 1952 and 379% since 1947.

At the annual meeting, stockholders authorized a 10% stock dividend to shareholders of record on Feb. 14, 1958. All directors and officers were re-elected.

### Peoria Assn. To Fete Schrivier At Dinner

Peoria Life Underwriters Assn. is sponsoring a testimonial dinner for Lester O. Schriver, managing director of National Assn. of Life Underwriters, March 20 at Pere Marquette hotel. Principal speaker will be Harold J. Cummings, president Minnesota Mutual.

Since the dinner occurs shortly before the NALU midyear meeting at Birmingham, Peoria association feels that many of the delegates will wish to join in the festivities for their "native son" and has issued invitations on a large scale on an R.S.V.P. basis. Mr. Schriver in 1929 was general agent for Aetna at Peoria. Donald B. Murphy of Mutual Benefit is general chairman of the affair.

### First Colony Life In Force Rose By 79%

First Colony Life had \$8,733,619 of life insurance in force at year's end, up 79%. Premium income increased 147% and investment income rose 315%.

Surplus decreased \$224,257, reflecting losses involved in building the company, particularly the agency force.

### Liberty National Raises Its Dividend By 16%

Liberty National Life of Birmingham will pay a dividend of 29 cents a share March 14 to stock of record March 5. This represents an increase in the dividend of 16%. The company concluded 1957 with insurance in force of \$1,338,317,961, an increase of \$168,113,588.

Insurance  
Executives,  
what  
benefits  
does



"Reinsurance Exclusively"  
hold for you?

Why do so many leading life insurance companies choose North American Reinsurance when reinsuring portions of their risks? The answer is simple. They value the special benefits they enjoy by associating with North American Re, the world's largest company devoted exclusively to life reinsurance. They also value highly the entirely non-competitive nature of their relationship with North American.

Many of these benefits are described in our new booklet, entitled, "Reinsurance Exclusively." Naturally there's a copy waiting for you. Between the covers is information of real value to you and your company.

For your complimentary copy simply attach your personal or business card to this advertisement and mail today to . . .



### NORTH AMERICAN REASSURANCE COMPANY

161 East 42nd Street, New York 17, New York

MURRAY HILL 7-1870

Reinsurance Exclusively

LIFE • ACCIDENT & SICKNESS • GROUP

## LOANS

A General Agent or Agent can easily have from \$2,000 to \$100,000... in a lump sum...at low bank interest rates...on his vested renewals through our exclusive, dignified, confidential service...

- For additional working capital
- For business expansion
- To pay off indebtedness...protect your credit
- For personal needs...home purchase, home remodeling, etc.

For complete, confidential information on this exclusive service, please call or write...  
**RENEWAL GUARANTY CORPORATION**

Guaranty Bank Bldg. • Denver 2, Colorado • TAbor 5-2254

RENEWAL GUARANTY CORPORATION  
Guaranty Bank Bldg., Denver, Colo.

Gentlemen: Please send me complete, confidential details on your exclusive service. I understand I am NOT obligated in any way.

☐ AGENT

☐ GENERAL AGENT

Name \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

Zone \_\_\_\_\_

State \_\_\_\_\_



RGC's President has been a member of the NATIONAL ASSN. of LIFE UNDERWRITERS over 10 years.

## AID ASSOCIATION FOR LUTHERANS

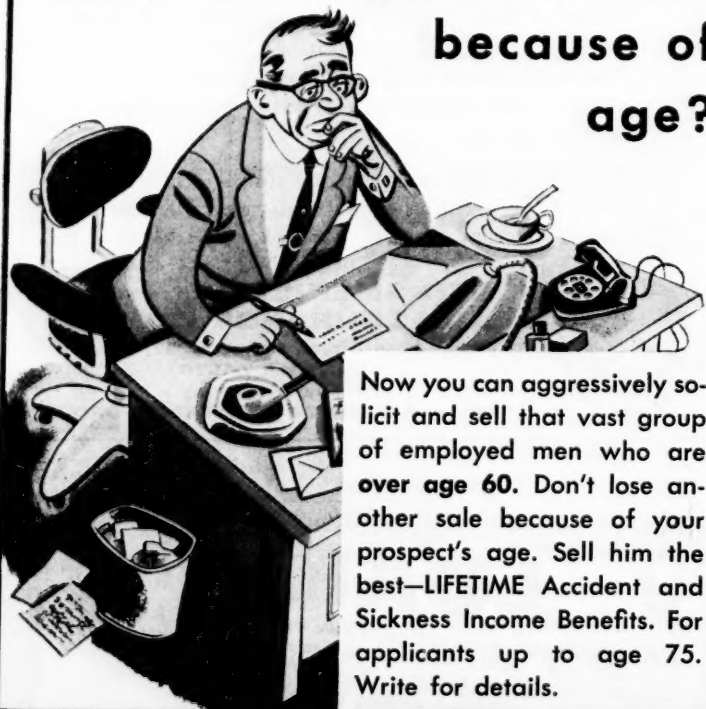
America's  
largest fraternal  
life insurance  
organization.  
Appleton, Wisconsin

### Announces 1957 Statistics

Assets: \$249,060,938.76  
Ratio of assets  
to liabilities: 110.35%  
Benefits paid to date:  
\$109,968,680  
Net rate of interest  
earned: 4.10%

INSURANCE IN FORCE  
\$1,264,936,981

## Why lose a good insured because of age?



Now you can aggressively solicit and sell that vast group of employed men who are over age 60. Don't lose another sale because of your prospect's age. Sell him the best—LIFETIME Accident and Sickness Income Benefits. For applicants up to age 75. Write for details.

## AMERICAN CASUALTY

COAST-TO-COAST BRANCH OFFICE SERVICE

AMERICAN CASUALTY COMPANY, Reading, Pa.

Please send me complete details about the SENIOR Protector Accident & Health plan.

Name .....

Address .....

City ..... State .....

## Discuss Ways To Cut Costs At S. M. U. Seminar

(CONTINUED FROM PAGE 2)

agreed was that it would be best if the company could limit its telephone expense contribution to the local charges and a portion of the equipment charges, while the general agent absorbed the cost of long-distance calls—unless they were clearly urgent and in the interest of company administration.

The maximum utilization of employees came under discussion. At the clerical level a most general breach of this principle was found to occur with respect to stenographic personnel. It is not unusual to have stenographic personnel assigned as secretaries to either junior officers or department heads, where their stenographic skills could be utilized only a relatively small percentage of the time. This occurs even in companies that are in dire straits so far as shortage of stenographic skill is concerned.

### Often Resist Consolidation

The practical solution of consolidating such personnel in a stenographic pool frequently is resisted, for many people feel that having a secretary is one of the indicia of executive standing, in much the same fashion as a private office.

In the late 1930s and the early 1940s there was a pronounced trend towards the establishment of stenographic centers and mechanical transcription pools. Then with the advent of the boom period after World War II, there seemed to have been a loss of expense-consciousness, among junior executives particularly. As a result, certain somewhat wasteful office practices have developed. To some extent these practices have become crystallized as a part of the accepted administrative pattern and are rather hard to dislodge.

Another subject that received great attention was the general area of personnel administration. This involved examination of such supervisory problems as tardiness, disunity or disharmony in the office, excessive overtime, absenteeism, employee errors, the high cost of routine clerical operations, the indifference of employees to the craftsmanship involved in their work, etc. Approaches to correct this condition were carefully considered by the conferees.

In general, and like all generalizations this has to be "handled with care," the feeling was that employees would respond to the same motivations to which agents respond. In short, if you gave them recognition for good jobs, if you capitalized on their competitive spirit, if you used errors as the opportunity not to bawl people out but to give constructive reprimands, a lot of good could result.

### Cites Constructive Example

One of the examples that was cited was that of an A&S company. During the winter season, when the claims department was snowed under with a backlog of work, there were many errors and work was slumping off. There was tardiness, absenteeism, and the like. The supervisor divided his employees into two groups and assigned the backlog to them in equal portions. He also tried to distribute incoming work as equally as he could. Then he set up a chart for each unit showing the daily production and the progress toward reduction of the backlog. He simply displayed this chart each morning to the members of the group. He gave each group the chance to

contrast its performance, so far as quantity and production and absence of errors was concerned, with that of the other group.

Startling as it may seem, there was a total improvement in productivity of about 65%, and individual clerks as much as doubled their prior production performance. And there was also a sharp reduction in errors. The supervisor was smart enough to capitalize on this by bringing it to the attention of the vice-president in charge, and arranging for him to personally congratulate each clerk who took part in this drive to reduce the backlog.

Interestingly enough, there was a very small amount of overtime involved in this operation. Not only that, the supervisor enlisted the aid of the employees in helping him to develop work standards that now allow these same clerks to process approximately 30% more work, as a matter of routine, than they used to do previously.

One of the things that was done to promote the morale of these clerks was the fact that the claims vice-president took the opportunity to have a number of other senior vice-presidents come in, look at the charts, and congratulate these employees while "Operation Backlog" was in progress. This had a beneficial effect on the morale of the employees, and increased greatly their team spirit and pride of accomplishment.

### Designates 'Girl Of Month'

In another company the stenographic supervisor each month designates the "girl of the month." This is the transcriber who turns in the best performance record from the standpoint of quantity and quality, based on a formula that the supervisor has evolved. The supervisor then sends a notice to all dictators in the company, advising them of the girl who has been selected as "girl of the month" in the transcribing department. As a result, it is not unusual to have this girl receive telephone calls and notes from many of the dictators congratulating her on her performance. As can be appreciated, this gives a big lift not only to the girl who is chosen, but to the entire department, in that they recognize that the other departments appreciate the importance of their contribution to the work of the company. This technique is susceptible to adaptation in almost any clerical processing department.

In one large multiple-line company, the supervisor of policyholder services collects letters complimentary to the work of the department that have been received from insured or agents. Periodically he has the printing department reproduce these letters, which then are circulated not only to all executives and supervisors but to all field managers as well. This device is productive of the many complimentary letters to the individuals who are the recipients of the notes from the agents or the policyholders.

### Rewarded For Initiative

In a small mid-western life company, the Multilith operator on his own initiative, showed the president and agency director how he could take over the preparation of a great deal of the sales promotion material, with a substantial saving in cost. He did so well at this, over the course of the year, that the agency director invited him to attend the next convention of

the company. He was presented to all the agents at the meeting. As can be imagined, this young man now will do anything he can to give good service, not only to the agency department but to all departments, because he knows his work is appreciated and recognized.

There was much interest in the orientation and training of clerical employees. It was agreed that the time to begin the training of a new employee was before the employee is hired. At first blush this may sound like a strange concept, but it is the only sound approach to successful clerical training, because before an employee can be trained, he must have a distinct assignment of duties on which he is to be trained.

#### Must Outline Training

Further, the person who is going to train the employee must be appointed before the employee is hired and the training time schedule set up, along with the necessary work place and other materials, if the new employee is to become quickly productive.

The supervisor also must know what check-points he will use to determine the status of the employee's training at each stage of the training program. In this way he can tell when the employee is ready to proceed on the same basis as the other employees, doing this same work.

When new employees are hired, even people who have had long and successful prior work records, they usually feel strange and uncertain when they come into the company. They are dealing with a new environment, with new circumstances, in many cases with new types of work, and certainly with new and strange personalities. All these factors must be taken into consideration, in advance, and provision made for them. Otherwise the training program for a new employee will be unduly prolonged.

When we consider that the absolute minimum for training even a junior clerical employee is \$300 or more before the employee becomes even reasonably productive, it becomes clear that it is worth while to think about this matter of training before the employee is hired.

#### Should Continue Training

Nor should this matter of training be confined solely to new employees. Old employees can benefit as well from a standardized approach to their training. This should improve their over-all performance. But, in addition we can give them the idea that they themselves should continue to improve performance. This could be an important point in the battle to reduce clerical costs. By cross-training, and by introducing them to new work assignments from time to time, older employees can be prepared for promotion. This is especially important to the smaller companies, who in some degree can give themselves a measure of protection on key jobs, without overloading the home office staff.

As a general principle, an employee should be trained in three groups of tasks. The primary group is those tasks which he performs routinely as a regular part of his ordinary assignment. These tasks are in effect, the employee's job. The secondary group consists of those tasks which the employee may be called upon to perform at irregular intervals, such as vacation times, absences of other employees, fill-in work, etc. The third group is made up of those tasks which are contingent in nature. Through training in these tasks, the employee may prepare him-

self for promotion to a better job by being trained in the duties of more experienced personnel.

A practical illustration of the value of this type of training is shown by the experience in one large eastern company, where two identical units were set up in the accounting department. In one of them, the supervisor paid special attention to this matter of training. In the other unit, the supervisor, while in other respects a very good executive, did not seem to be aware of the need for attention to employee training.

It was not long before the first unit was able to do the same amount of work as the other unit, but needed approximately 15% fewer employees. The procedures, forms, and records, equipment and all other aspects of the work environment were identical. The only difference lay in the presence or absence of an organized training program, actively directed.

#### Must Manage Time Well

Another topic that was of much interest to the executives at the Dallas seminar was that relating to the way in which supervisors and executives should manage their own time. In the course of the discussion everybody agreed that, by and large, executive tasks fell into two broad categories: The first category was that of routine or regular work; the second category the special or creative work. Most people tend to become bogged down in the routine or regular work, and do not give enough time to the creative or special work.

One suggestion advanced to help overcome this tendency was for the executives to make a list of the important or special projects, apart from routine work, that they wished to work on in each three months period, then to divide these projects into monthly and weekly periods for each quarter. Thereafter, at the close of each week, they would plan, as best they could, the schedule for the next week, setting aside sufficient time on either a daily or other basis so that they could put in some creative time in the following week on these special projects.

These need not necessarily be matters on which reports had to be developed. They could be long-planned conferences with particular employees; attendance at business meetings; luncheons or meetings with people who had information that would be useful to them in the conduct of their work; improvement programs in their areas, etc.

The important thing to remember is that time can be budgeted, to a certain degree, much like money. In fact, every person informally budgets his time each day in setting aside time for working, a time for social activities, and time for sleeping, personal hygiene, etc.

So what was proposed to the conferees was a more refined and yet quite logical extension of the informal time-budgeting techniques that people customarily follow.

#### Discuss Simplified Procedures

There was much interest in the development of straightforward and simple clerical procedures for the processing of home office work. There seems to be a return to the recognition of the sound principle that only complete analysis of all phases of related procedures at the same time can give the necessary perspective to correctly align the clerical work routines. This is hard work, and requires as much perspiration as it does imagination. But in the long run it is the truly

## THE MERGED VITALITY OF TWO IMPORTANT INSURANCE COMPANIES PROVIDES ALERT AGENTS WITH A

### NEW PORTFOLIO OF OPPORTUNITY

This attractive package augments Pacific National's long-established ordinary life coverage with the "new look" of Matson Assurance Company's popular group coverages.

### PACIFIC NATIONAL LIFE ASSURANCE COMPANY

HOME OFFICE:  
215 MARKET ST., SAN FRANCISCO

Direct and Brokerage Contracts Available.  
Write Kenneth W. Cring, Vice President

## Security Life SALES START WHERE OTHERS LEAVE OFF

Yes... Security Life Agents find greater production possible because this Western Company's approach is modern. Many new policies and plans, geared to new concepts of personal financial management, begin where others leave off.

Security's "Research of Public Needs," followed up by an outstanding Programming Department, puts Security Men in top production brackets.

Special "bonus" contracts for general agents qualified in agency building. General agent and agent franchises, with vested renewals available in most states west of the Mississippi. Write: J. F. Johns, 1st Vice-President

# Security

Life & Accident  
Company

SECURITY LIFE BUILDING • DENVER 2, COLORADO

## The Sky's NO LONGER the limit!



For the man willing to explore unlimited opportunity, North American Life offers top contracts, liberal financing and a complete portfolio of Life and A&S contracts.

Our 1957 Paid Life production set a new high in North American's fifty year history . . . success makes for success for the man who wants it—NOW!

### NORTH AMERICAN LIFE *Insurance Company* OF CHICAGO

Charles G. Ashbrook, President  
Ronald D. Rogers, CLU, Agency Vice President  
North American Building Chicago, Illinois

## ACTUARIES

### CALIFORNIA

#### COATES, HERFURTH & ENGLAND

CONSULTING ACTUARIES  
San Francisco Denver Los Angeles

### GEORGIA

#### RINTYE, STRIBLING & ASSOCIATES

Consulting Actuaries—Insurance Accountants  
Pension Consultants  
William-Oliver Bldg. Atlanta  
Jackson 3-7771

### GA.-VA.-NY.-ME.

#### BOWLES, ANDREWS & TOWNE, Inc.

ACTUARIES  
MANAGEMENT CONSULTANTS  
LIFE—FIRE—CASUALTY  
EMPLOYEE BENEFIT PLANS  
RICHMOND ATLANTA NEW YORK  
PORTLAND

### GEORGIA & MICHIGAN

#### Alvin Borchardt & Company

CONSULTING ACTUARIES  
= AND =  
INSURANCE ACCOUNTANTS  
Detroit Atlanta

### ILLINOIS

#### CARL A. TIFFANY & CO.

CONSULTING ACTUARIES  
211 West Wacker Drive  
CHICAGO 6  
Telephone CEntral 6-1288

### ILLINOIS (Cont.)

#### CHASE CONOVER & CO.

Consulting Actuaries  
and  
Insurance Accountants

332 S. Michigan Ave. Chicago 4, Ill.  
Telephone WAbash 2-3575

### IOWA

#### TAYLOR AND TAYLOR

Consulting Actuarial and  
IBM Statistical Service

Home Office 814 American Bldg.  
Cedar Rapids, Iowa

### INDIANA & NEBRASKA

#### Haight, Davis & Haight, Inc.

Consulting Actuaries

ARTHUR M. HAIGHT, President

Indianapolis Omaha

### NEW YORK

#### Wolfe, Corcoran and Linder

Consulting Actuaries  
Insurance Accountants

Employee Benefit Plan Consultants  
116 John Street New York 38, N. Y.

### PENNSYLVANIA

#### E. P. HIGGINS & CO.

(Frank M. Speakman Associates)

Consulting Actuaries Bourse Building  
Accountants Phila. 6, Penna.

#### Lenard E. Goodfarb, F.S.A.

Consulting Actuary

Market Street National Bank Building  
Philadelphia 3, Pa. Rittenhouse 6-7014

satisfying road to clerical work improvement.

One of the conferees had with him a procedure in his new business department which was subjected to group analysis by members of the seminar panel. In the course of the analysis, and without suggesting the use of any new equipment or any unusual forms, the panel members were able to simplify the procedure from a total of 54 steps down to 28, with an estimated improvement in processing time of approximately 30%.

Besides that, a number of work transportations were eliminated through the re-arrangement of the steps in the procedure and through the rerouting of the various papers in the routine.

Certain things that were being done were flatly eliminated when the questioning proved that they did not contribute materially to either the instant procedure or to any related work routine. These steps had been performed for periods ranging from three to 10 years. Yet a completely detached and objective analysis showed that they were not worthwhile or truly necessary.

### Milwaukee A&H Agents

#### Hear Bennett On Key Man

Selling business and key man insurance was discussed by Earle R. Bennett, Tampa, president of International Assn. of A&H Underwriters, at the monthly meeting of Milwaukee A&H Underwriters Assn.

Mr. Bennett said disability of key men in a business organization through illness or accident represents one of the most serious expense threats to employers, who find themselves in a position of moral obligation to continue the men's pay. During their business lives, 80% of all employees are disabled at least once for a period of more than three months. As many as 280 million work days have been lost because of accidents in a single year, he said.

### Milwaukee CLUs Hold

#### Estate Planning Seminar

Milwaukee chapter of CLU held its annual estate planning seminar which featured a panel on "An Estate Planning Situation" discussed by Harvey Leiser, Equitable of Iowa; Catherine Cleary, vice-president of First Wisconsin Trust Co.; Louis J. Spitz, certified public accountant, and John D. Cahill, attorney. A movie, "Estate Planning," was shown, and a case discussion was held during the luncheon. Lester A. Wilbert, Northwestern Mutual Life, chapter president, presided, and Jerry Clifford, Old Line Life, was program chairman.

## Cal.-Western '57 Sales Rise 208%

Life sales of \$516 million for 1957, a 208% increase over the previous year, accounted for California-Western States Life's most successful year, President Robert E. Murphy reported at the annual meeting.

Total life in force reached \$1,980,000,000 by Dec. 31, representing a gain of \$520 million, including additions and revivals, for the year. Shortly afterward the company reached another milestone in its growth when it exceeded \$2 billion in force on Jan. 18.

Group premiums in force at the close of 1957 totaled \$31,100,000, a 24% gain over 1956. The company also paid out that amount in benefits to policyowners and beneficiaries, a record-high 19% over the previous year.

Approximately 50% of Cal-Western's assets are devoted to mortgage loans on residential, business and farm properties. During 1957, \$97 million was devoted to these loans showing a \$4,700,000 increase over 1956.

## Columbian National '57 Sales Were \$49,110,714

Columbian National's life sales last year totaled \$49,110,714 and brought insurance in force to \$537,441,433.

Assets rose to \$121,258,143. Capital and surplus totaled \$13,543,416, up \$494,408. The earning rate on mean invested assets was 3.41%, up nine points. Liquid cash, bonds and stocks made up 72% of assets.

## Interstate L.&A. Reports \$30 Million Gain In '57

Interstate Life & Accident closed 1957 with \$453,535,491 of life insurance in force for a net gain of nearly \$30 million. At the same time, income reached a new high of more than \$8,300,000.

Total income for 1957 amounted to \$23,403,736. Of this, \$20,660,076 represented premium income, \$2,211,147 investment income, and the balance from net profits on the sale of stocks, bonds and miscellaneous items.

Admitted assets now stand at \$47,695,848 for a gain of \$3,484,981.89. For every \$100 of legal liability, the company has \$116 in assets.

Bean & Jones agency of John Hancock Mutual at Chicago established a new paid-for record during the first two months of 1958 with over \$3,600,000 of new ordinary, plus group and annuities, a gain of 40% over the same period in 1957.

You can hitch  
your future  
to this Symbol

...if you are ready  
for your own  
general agency



Old Republic Life Insurance Company

Chicago 1, Illinois

**NOW!**  
from Continental

## A Quantity Discount on Life Insurance

... can save  
**\$6000 or more in  
premiums**

Now, the more insurance you buy, the less it costs you per thousand... on any amount up to \$500,000.

Pioneering this revolutionary idea in protection is Continental Assurance. Under Continental's new Quantity Discount Plan, a 40-year old businessman who bought \$100,000 of Continental's Quantity Discount coverage could save almost \$6000 in premiums by age 65. And proportionate savings can be made on all other amounts from \$5000 to \$500,000.

In addition to these savings, this Continental policy also offers excellent early cash values and fine family or business protection. Available up to age 75.



**CONTINENTAL**  
Assurance Company

310 South Michigan Avenue  
Chicago 4, Illinois

One of Continental National Group

## Service Guide B

**ACTUARIAL COMPUTING  
SERVICE, INC.**



1389 Peachtree Street,  
N.E., Atlanta 8, Georgia,  
P.O. Box 6192. Telephone  
TRinity 5-6727.

## Convention Dates

March 17-19, Life Insurance Agency Management Assn., agency management conference, Edgewater Beach hotel, Chicago.

March 23-27, National Assn. of Life Underwriters, midyear, Dinkler-Tutwiler hotel, Birmingham, Ala.

March 26-29, Life Insurers Conference, annual, Hollywood Beach, Fla.

March 27-28, Life Advertisers Assn., eastern round table, Barbizon Plaza hotel, New York City.

March 31-April 1, American Life Convention, regional meeting, Walter hotel, Raleigh, N. C.

March 31-April 1, National Assn. of Insurance Commissioners, Zone 3, Dinkler Plaza hotel, Atlanta, Ga.

April 9-12, National Assn. of Insurance Commissioners, Zone 5, Broadmoor hotel, Colorado Springs, Colo.

Apr. 10-11, Society of Actuaries, eastern spring meeting, Sheraton hotel, Philadelphia.

Apr. 14-16, Life Insurance Agency Management Assn., A&S conference, Edgewater Beach hotel, Chicago.

April 16-18, National Assn. of Insurance Commissioners, Zone 2, John Marshall hotel, Richmond, Va.

April 21-22, Life Advertisers Assn., north central round table, Drake hotel, Chicago.

April 29-30, Life Advertisers Assn., western round table, Fairmont hotel, San Francisco.

April 30-May 2, LIAMA, combination companies conference, Grove Park Inn, Asheville, N. C.

May 1-2, American Life Convention, regional meeting, Fairmont hotel, San Francisco.

May 5-6, Assn. of Life Insurance Counsel, spring meeting, the Greenbrier, White Sulphur Springs, W. Va.

May 6-7, Life Advertisers Assn., southern round table, Roanoke hotel, Roanoke.

May 8-10, Home Office Life Underwriters Assn., annual, Chalfonte-Haddon Hall, Atlantic City.

May 12-14, Health Insurance Assn., annual, Drake hotel, Chicago.

May 19-20, American Life Convention, regional meeting, Muehlebach hotel, Kansas City.

May 19-23, Life Advertisers Assn., sales promotion workshop, Hotel Statler, Hartford.

May 26-28, Canadian Life Insurance Officers Assn., annual, Seignior Club, Montebello, Canada.

June 5-6, Society of Actuaries, western spring meeting, Drake hotel, Chicago.

June 9-11, American Life Convention, medical section, Broadmoor hotel, Colorado Springs, Colo.

June 9-13, National Assn. of Insurance Commissioners, annual, Conrad Hilton hotel, Chicago.

June 11-14, International Assn. of A&H Underwriters, annual, Statler hotel, Los Angeles.

June 16-27, American Life Convention, life officers investment seminar, Beloit college, Beloit, Wis.

Sept. 7-12, National Assn. of Life Underwriters, annual, Statler-Hilton hotel, Dallas.

Sept. 22-24, Life Office Management Assn., annual, Chalfonte-Haddon Hall, Atlantic City, N. J.

Sept. 22-24, International Claim Assn., annual, French Lick Springs hotel, French Lick, Ind.

Sept. 22-25, Assn. of Superintendents of Insurance of the Provinces of Canada, annual, Empress hotel, Victoria, B.C.

Sept. 29-Oct. 1, National Fraternal Congress, annual, Hotel Fontainebleau, Miami Beach.

Oct. 2-4, Society of Actuaries, annual, Netherland Plaza hotel, Cincinnati.

Oct. 6-10, American Life Convention, annual, Edgewater Beach hotel, Chicago.

Oct. 22-24, Life Advertisers Assn., annual meeting, Queen Elizabeth hotel, Montreal.

Oct. 23-25, Midwest Management Conference, French Lick, Ind.

Oct. 27-29, Health Insurance Assn., individual insurance forum, Drake hotel, Chicago.

Nov. 10-13, Life Insurance Agency Management Assn., annual, Edgewater Beach hotel, Chicago.

Nov. 19-21, Institute of Home Office Underwriters, Hollywood Beach hotel, Hollywood Beach, Fla.

Dec. 8-12, National Assn. of Insurance Commissioners, midwinter, Roosevelt hotel, New Orleans.

Dec. 8-9, Assn. of Life Insurance Counsel, winter meeting, Waldorf-Astoria hotel, New York.

Dec. 9, Institute of Life Insurance, annual, Waldorf-Astoria hotel, New York City.

Dec. 10-11, Life Insurance Assn. of America, annual, Waldorf-Astoria hotel, New York.

The Christmas agency of Paul Revere at Miami has won the 1957 president's trophy outstanding over-all agency accomplishment. Regional citations went to the Morse agency at Boston, the Blackburn agency at Indianapolis and the King agency at Billings, Mont. The 1957 builders award, given annually to the leading Canadian branch office in all-around performance, went to the Wilson branch at Winnipeg. The Stanley agency at Albuquerque led the company in combined A&S, life and group production.

## WHAT ARE YOUR PROSPECTS for the FUTURE

WHILE no one can prophesy the future accurately, there are men who say—"I'm going places... I'm going to be a success!"

The State Life is looking for men of that caliber, for this company believes it is offering the opportunity that aggressive, far-seeing men are seeking. Those who qualify enjoy a most liberal contract with retirement features, complete and thorough training courses for agents and agency managers, a career financing plan for new men, a complete line of up-to-the-minute low-cost policies including the new family plan, and hard hitting merchandising aids. Yes, all this and more... plus a friendly, energetic home office that makes selling a pleasure.

So, if you're interested in climbing the ladder of success, don't delay in getting the facts that will assure building profitably for your future.

DIHL H. LUCUS—Director of Agencies

A MUTUAL  
COMPANY  
FOUNDED  
1894

The  
**STATE LIFE**  
Insurance Company  
Indianapolis



Nation-Wide Financial Service for Life Insurance Representatives

Loans are available for you on your renewal commissions—for additional working capital, for business expansion, for personal use. Prompt, efficient, confidential service, from the outstanding organization specializing in direct loans to life insurance underwriters.

## Life Underwriters Service Corporation

Life Underwriters Service Corp.  
Security Bldg., Denver 2, Colo.

I am interested in your service. Please send further information, at no obligation to me.

☐ Agent  
☐ Gen. Agt.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Mail this  
Coupon  
today

## Mechanical Tools Still Useful Despite Electronics

(CONTINUED FROM PAGE 20)

valid comparisons with industry-wide results.

The statistical plan does not confine itself to actuarial or statistical tabulations. There is provision for developing the data on insurance in force with respect to the amount of production by agency, by policy form and by the type of coverage. It is also possible to determine a company's persistency and lapse ratio on policies in force. He said it would be essential for each company to make a study of its own experience in order to determine whether it is receiving large amounts of business at ages where its premiums might be less adequate, or whether it is experiencing unusual types of adverse selection by geographical area.

Paul Jacobs, director of procedures and service appraisal of Nationwide Mutual, observed that a good methods function can only be successful if it

has the support of top management. At Nationwide, he said, the methods function did not creep into the organization, but was deliberately created in order to meet the specific problems of controlling forms and improving communications.

Charles W. Grady, vice-president and comptroller of Midland Mutual, said his company's growth into the "billion-dollar" category pointed up the need for creating a methods unit which would work centrally and with all divisions in modifying controls and instituting newer systems of procedures. A particular problem may cross departmental lines, requiring discussion by division representatives of all facets before evaluation can begin. Once the interviews are completed, the methods and procedures division, perhaps aided by flow charts, will reach a tentative solution. Recommendations are submitted to the depart-

ment heads affected and are given careful scrutiny. When necessary, modifications are made.

George Boddiger, assistant treasurer of Mutual Benefit H.A., said projects of his company's planning department have included development of the work flow in the new home office addition and the pattern to be followed in relocating departments; development of special procedures for handling sales contests; the advisability and cost of issuing alternate and additional policies; and the handling of new and unusual policies or groups.

Particularly significant, he said, has been the planning to handle the special problems created by the government's "medicare" program, for which the company is the prime insurance carrier contractor, and the air trip insurance booths and machines located in airports throughout the country. Both projects involved design of procedures, selection and training of personnel, publication of manuals and integration of these operations with all of the normal operations of the company.

Hilton H. Campbell, vice-president of Republic National and chairman of the methods and procedures committee, opened the meeting and presided over the morning sessions and the annual luncheon. Greetings were extended by Robert R. Neal, general manager of HIA, and J. Henry Smith, underwriting vice-president of Equitable Society, president of HIA. More than 200 company representatives attended.

## Describes Type Of Agency Supervisor H.O. Seeks

The type of man the home office is looking for as an agency supervisor was described by Charles F. Edwards, regional vice-president of New York Life, at a meeting of Los Angeles Life Agency Supervisors Assn.

The home office is seeking a man who will help the company grow in the field, he said, giving four reasons why supervisors fail in handling new men. Supervisors tend to take themselves too seriously. The age of the big boss is over, and the new agent should be made to feel that he is important.

There is a tendency to stick too long with a man at times, Mr. Edwards declared. "We give him everything but if the seed doesn't grow it is not enough."

Loss of faith in the man was listed as another reason. Supervisors must work to improve the man who needs improvement and they must not become too cynical in their evaluation of him.

Lastly, Mr. Edwards said life insurance is a pleasant and pleasing business and it must be made pleasant for the new man.

## Southeastern Life Shows Gains, Plans Expansion

Southeastern Life, Hattiesburg, Miss., gained more than \$9 million insurance in force in the second full year of operation, Dr. R. C. Cook, president and treasurer, reported at the annual meeting. Total amount in force was \$14,475,000 at the end of 1957.

Plans for a 6-story office building have been completed, and construction is expected to begin in August. The company will take a 10-year lease on 11,000 square feet and the building will be called the Southeastern Life building. The foundations will permit addition of four more floors in the future as needed.

## American United Shows 52% Sales Gain In '57

American United Life had a 52% gain in sales in 1957. Sales totaled \$269,600,000, topping 1956 by \$92 million. Volume for January 1958 exceeded the same month last year by 36%.

Insurance in force is expected to pass the billion mark in 1958, which would mean it has doubled in the past six years. Assets grew in 1957 to \$132 million, and the rate of gain from investment was 3.42%. The company paid \$682,000 in taxes and governmental fees; \$1,830,000 in dividends; and \$11,700,000 in policyholder benefits.

To meet its necessary expansion American United is constructing a \$2.5 million addition which will give twice as much work area to the home office in Indianapolis. A new electronic data processing system is to be installed for clerical functions.

## Society Of Actuaries Sets Date For Eastern Rally

(CONTINUED FROM PAGE 21)

superimposed-over-basic-coverage type? Of the low-deductible-without-basic-coverage type? As to the latter, has the experience been less satisfactory where the deductible or co-insurance features have been eliminated as to portions of the hospital or surgical expense?

B. In what ways is electronic equipment being used in premium billing, claim analysis, experience rating calculations, or other applications in the group A&H field?

C. In what respects do the Blue Cross-Blue Shield associations operate differently from insurance companies doing a group A&H business? In what ways are these operations similar? Do the differences tend to diminish or to increase with the passage of time? What rate and procedural changes are these associations making?

D. What are the recent developments in Canada with respect to plans offered and insured by government? What do these developments portend with respect to non-governmental insured A&H plans?

Impact of inflation discussions will cover:

A. Recent international congress papers indicate there is a move in Europe toward government pensions protected against a decline in purchasing power. Is such an arrangement feasible? Are any of our governmental bodies considering similar arrangements?

B. What steps are life insurance companies taking to protect policyholders and annuitants against loss in the purchasing power of the dollar?

C. What do studies in functional costs over a period of years show about the trend in the expenses connected with the simpler routine tasks, such as policy underwriting, premium accounting, premium billing, etc.?

The discussion on pension plans includes:

A. What activity on the part of consultants and insurance companies has been brought about by the various state laws regarding registration and regulation of employee welfare funds? What is anticipated with respect to federal legislation?

B. What methods have been devised for finding former employees who reach retirement age with vested pension credits?

C. What has been the reaction from employers and employees to "widow's pensions" as the death benefit under employer pension plans? What are the most common formulae for the amount of the widow's pension? What media have been devised for implementing a widow's pension plan?

D. To what extent do actuaries find themselves in competition on actuarial assumptions? Are there any practical measures which will reduce public confusion in this area?

E. How practical are multiple employer plans? Are they successful in lowering pension costs for the small employer? Can they be flexible enough to give a reasonable choice as to plan provisions?

The Los Angeles agency of Acacia Mutual has attained Manager LaNoue Matta's 20-year goal of \$100 million of insurance in force. Last year it produced \$14 million, up 30%. At a banquet celebrating the achievement, Mr. Matta marked his 20th anniversary as manager and received his membership in Quarter Century Club. Guests included President Howard W. Kacy and Harry J. Shaffer, agency vice-president.

with  
our

**Exclusive Policies**

**Life — Group — A & S**

**Top Commission Contract**

**Recruiting Bonus**

**Financial Assistance**

**Unexcelled Home Office Cooperation**

**AGENCY openings**

**You  
too,  
CAN  
PYRAMID  
PRODUCTION**

WIRE or WRITE -  
**BYRON C. JOHNSON, Agency Vice-President**

**JEFFERSON NATIONAL**  
*Life Insurance Company*  
INDIANAPOLIS, INDIANA

the Company  
with the  
*Agency Heart!*

in

OHIO  
INDIANA  
ILLINOIS  
KENTUCKY  
MICHIGAN  
MINNESOTA  
PENNSYLVANIA  
FLORIDA-ARIZONA  
VIRGINIA-W. VIRGINIA

## STEP AHEAD WITH MIDLAND!

Earn your fortune with one of America's fastest growing Life and A & S Insurance Companies. We're big enough to meet competition and small enough to give you the personal attention all good underwriters need. Grow with us!

**Midland National**

LIFE INSURANCE COMPANY

HOME  
OFFICES

Watertown, South Dakota



Write  
H. S. HAGAN  
President

## Continental Assur. Proposes Employee Stock Option Plan

Continental Assurance has approved an employee stock option plan to be submitted to the stockholders at their meeting April 2. Under the plan, designed to encourage ownership of company shares among key employees as a basis for incentive, options will be granted to officers and other personnel earning \$12,000 and up. Price of the optioned shares will be not less than par value or less than 95% of the "fair market value," and the number of shares purchased per person will not exceed 1,500.

The plan will be administered by a committee appointed by the board, consisting of members who are themselves not eligible for the plan. The committee will have authority to determine prices, eligibility of personnel, times when the option will be granted and the number of shares under each option. The committee will also set the minimum number of shares to be purchased, manner of payment and other regulations for administering the plan. The board or the committee will have the authority to issue "from time to time" up to 82,405 common shares.

### To Encourage Better Work

Continental directors believe that "the quality of management is of the utmost importance in the insurance business," and that the company must try "to obtain and retain the best available executive personnel and to encourage a high level of performance." For this reason the company is offering a stock option plan not as "compensation for services," but "to promote the acquisition of an ownership interest... as a stimulant to greater and more effective efforts in behalf of the company."

## Chicago Life Assn. Sets Date For Sales Congress

Chicago Assn. of Life Underwriters will hold its annual sales congress April 3 at the LaSalle hotel. Wilbur W. Harthorn, superintendent of agencies, Metropolitan, will preside at the morning sessions, and L. Lavern Wilkinson, director of agencies, Prudential, will perform a like function in the afternoon.

Speakers will be Allen White, New York Life, and Richard T. Christoph, Penn Mutual Life, both of Chicago; Dr. Kenneth McFarland of General Motors; A. C. Nielson, chairman of the marketing research organization bearing his name; Kenneth R. Bentley, general agent Mutual Benefit Life, Chicago, and Oren D. Pritchard, Indiana manager for Union Central and vice-president National Assn. of Life Underwriters.

## Time, A&S Pioneer, Enters Life Business

Time of Milwaukee, a pioneer in accident and health insurance, has entered the life field, and has found a pretty good customer right within its own walls with one-fourth of the company's personnel subscribing for individual policies for themselves or their children.

The refund life plan is the first policy offering. Two features of this policy call for return of all premiums to the policyholder at age 65, and in event of death before 65, payment of the face amount plus return of all premiums paid.

## See N. Y. Compromise A&S Bills Less Harsh, More Likely To Pass

The compromise A&S bills introduced last week in the New York legislature are, in general, less objectionable to the insurance business than the proposals made earlier in the session and are given a better chance of passage.

Sen. George R. Metcalf, Auburn republican who heads the joint legislative committee on health insurance plans, filed the four new bills through the rules committee due to the lateness of the session. The bills include the essentials of the program announced last November by Walter J. Mahoney, senate majority leader, and Oswald D. Heck, speaker of the assembly, the Republican leaders.

The compromise bills are less restrictive than the revised measures introduced a few weeks ago by the Metcalf committee and the counter-proposals filed shortly afterward by the Democratic Harriman administration. The Metcalf and Harriman packages are still in committee.

The new bills may not go through a public hearing because of the pressure of business on legislators during the remainder of the session. Insurance industry associations are not expected to put up any opposition to the new package, viewing it as the least objectionable of all those introduced at this session.

### No Reference To Level Premium

The new bills omit any reference to the controversial proposal to require a level premium for the life of insured. A&S insurers see this as a gain for their side.

Two bills deal with conversion. One would require insurers to offer group policies containing privileges of conversion without evidence of insurability. Employer-policyholders would be free to buy or not buy the conversion privilege for their employee-certificate holders. Elimination of the objectionable proposal to mandate the conversion privilege also is seen as a major improvement.

The other conversion bill would require this privilege to be offered to children and others covered by a family policy. This is viewed with some concern by insurers who see the possibility of anti-selection.

A third bill, as proposed in the earlier Metcalf package, would prohibit insurers from cancelling or refusing to renew a policy after it had been in force for two years, except for fraud and other reasons. However, term A&S policies still may be offered, provided they are clearly identified and explained as such.

The fourth bill would give a new policyholder a "free look" at his policy and entitle him to full refund of his premium if he returns the contract within 10 days after he receives it.

## Bankers Natl. In Force Rises To \$480 Million

Insurance in force at Bankers National Life last year rose to \$480 million, up \$83 million, while assets climbed to \$67 million, up \$5 million. Capital, contingency reserve and unassigned surplus totaled \$6.4 million, up \$800,000. Payments to policyholders and beneficiaries came to \$5 million.

Joseph E. Burger, St. Louis business executive, will describe how agents can do a better sales job in persuading others at the March 20 meeting of St. Louis Life Underwriters Assn.

## Find 'Tax-Free Inside Buildup' Is Elusive

(CONTINUED FROM PAGE 1)

income, the Treasury contends that there is a tax-free build-up inside the policy.

The Treasury is apparently not gunning for the type of situation in which a policyholder surrenders his policy and the surrender value exceeds the total of net premium payments. If correctly computed and reported, this type of transaction would result in payment of a tax on the difference—a fact which many buyers and sellers of the bank-loan plan apparently fail to realize, incidentally. No tax would be avoided by the bank-loan set-up so there would be no reason to object to allowing an interest deduction on the loans by which such a policy was financed.

Since the Treasury could have no reason to feel it is losing taxes on cash surrenders of financed policies, it can only be that the payments at maturity are the object of its attack. But here the picture grows confused and hard to analyze. Consider, for the

moment, only those policyholders who keep their contracts in force until death. Their beneficiaries and estates will, in the aggregate, receive more than the total of premium payments that purchased their contracts. Most of this difference, of course, comes from earnings on investments.

### Not Regarded As Taxable Income

But this appreciation is not regarded as taxable income. Life insurance proceeds payable by reason of the insured's death are not subject to income tax, even though they are in part earnings on invested funds. Any effort to tax that portion of proceeds would be vigorously attacked as against tradition and a congressional policy of encouraging family heads to provide for their dependents.

The Treasury is not trying to diminish the value of the tax freedom in the "inside build-up" in the usual, non-financed situation, or even where premiums are paid by a moderate amount



## Beneficial THOUGHTS

It was Disraeli who said, "Man is not the creature of circumstances. Circumstances are the creatures of men. Let us, therefore, go forth and create pleasant circumstances."

Beneficial advice for those of us in the business of life insurance.

## BENEFICIAL LIFE

Insurance is your life insurance BENEFICIAL Company

David O. McKay, Pres.

Salt Lake City, Utah

### LOOKING FOR A FIRE-CASUALTY RUNNING-MATE?

Fire and casualty company with premium volume close to \$20 million a year through well distributed agency plant in 42 states, District of Columbia and Hawaii is for sale.

This highly regarded company would fit in well with the operations of a life company contemplating formation or acquisition of a fire-casualty running mate. Organized more than 30 years ago. The company has excellent agencies and well trained field and home office personnel.

Inquiries invited on a confidential basis. Write Box NY-83, c/o Advertising Dept., The National Underwriter Co., 17 John St., New York 38, New York.

## WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.  
THE NATIONAL UNDERWRITER—LIFE EDITION

### HOME OFFICE AGENCY DIRECTOR

Connecticut-domiciled, modern and progressive legal reserve fraternal life insurance company, established in 1892 and operating in eight states with a growing agency force, has an opening for the top position in its agency department. Excellent and unlimited opportunity for a man with ability, vision, and know-how—one experienced in organizing, developing, and directing a sales force who can work with a complete, up-to-date, and competitive portfolio of life policies and non-can A&S plans for the individual or the family.

Men not over 50 years old have provable accomplishment in life insurance selling and agency organization, preferably with some Home Office background, are invited to apply for this "once-in-a-lifetime" opportunity to establish a secure, permanent and profitable future. We offer the right man a very substantial guaranteed salary, a most liberal bonus arrangement, full expense reimbursement, and other valuable benefits.

All replies will be held in strict confidence and selected applicants will be interviewed. Write stating complete background and qualification to Box Z-27, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

### GROUP SALES

The portal to plenty is open to you if you can sell group insurance. The opening is in Houston, Texas with one of the nation's foremost group writing companies. Preferred consideration will be given to a man who is presently located in the Houston area; however, any man with proven group sales ability will be considered. Position provides many personal advantages including a company car, excellent working conditions, substantial salary, and others. If you feel you qualify, write in full confidence to:

**BOX Z-59**

**The National Underwriter Co.**

**175 W. Jackson Blvd.**

**Chicago 4, Illinois**

### AGENCY MANAGER

One of the nation's oldest and largest life insurance companies has openings in several major cities throughout the United States for men who are qualified to assume the position of Agency Manager in an established agency. We are interested in building large agencies. The requirements are:

1. Successful experience in agency field management;
2. Married, between ages 28-40;
3. College education (or, evidence of its equivalent in the form of CLU Training or other professional education).

The position carries with it a substantial starting salary, depending upon qualifications. Supervisory assistance is provided at Company expense. In addition, there is an expense account and exceptional pension and group insurance benefits. All of our Field Management personnel know of this ad. For a personal interview, write, giving full particulars to Box Y-65, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

### UNUSUAL A. & S. CLAIM OPPORTUNITY

To become the A. & S. Claim Director of the Allstate Insurance Company. The position is at the Home Office Staff, Policy making level, reporting directly to the Vice President of Claim. Will be responsible for development and administration of A. & S. Claim Policies and Procedures. Requirements include managerial experience in the settlement of A. & S. Claims and a thorough knowledge of the A. & S. Insurance Business. Preference will be given to men who have additional Life Claim experience. Legal degree necessary. Age 30 to 45. Submit complete résumé and salary requirements in confidence to:

Home Office Personnel Dept.

**ALLSTATE INSURANCE COMPANY**

7447 Skokie Blvd. • Skokie, Illinois

### MANAGEMENT OPPORTUNITY IN OHIO

Progressive Mid-Western Company writing individual Life, Accident and Sickness offers an excellent opportunity in field management. Attractive salary and production bonus. Write giving age, education, experience and salary expected. Replies confidential. Box Z-41, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

**ASSOCIATE ACTUARY OR ACTUARIAL STUDENT**  
A challenging opportunity for ambitious, capable, young man with actuarial experience to aid in increasing effectiveness of Life Department. Job will appeal to man with vision and ability to meet the challenge of a rapidly expanding Life and A&H company located in California with opportunity for company management. Replies confidential. Write Box Z-46, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

of borrowing. But where a "substantial number" of premiums are paid by loan, the T-men appear to think that the policyholder is making too much of a good thing out of the "inside build-up."

What seems to rile them is the policyholder who goes out of his way to boost his "inside build-up" advantage far beyond what it would normally be in his circumstances. For example, suppose a man could swing the purchase of a \$20,000 policy on a non-financed basis but by reason of the tax saving possible through a financed plan he can buy instead a \$100,000 policy. He thereby gives himself five times the "tax-free inside build-up" he would have with the \$20,000 policy. The Treasury experts contend that this sort of thing goes far beyond what Congress had in mind in completely exempting life insurance proceeds from the income tax.

### Several Arguments Against Idea

On the other side, there are life insurance experts who argue vigorously that there is no such thing as the "inside build-up" in the sense used by the Treasury. Others fall back on the argument that even if there is something in what the Treasury says, it still comes within the scope of the congressional exemption for life insurance proceeds and should not be disturbed. Beyond that are arguments that even if some tax is avoided it is more than offset by taxes paid by the lending institutions that supply the loans for financing the policies and by taxes paid by tradesmen and others to whom the beneficiaries pay out the proceeds from policies that would not have been nearly so large had it not been possible to finance them.

To some, the Treasury's proposed remedy seems unsound and unjust because it would penalize the man in relatively modest income brackets who wanted to increase his "inside-build-up" by borrowing, but would impose no restraint at all on a wealthy man who wanted to do this by selling assets and using the money to expand his life insurance holdings.

But sound or unsound, the Treasury's proposal has the vigorous backing of Deputy Dan Smith and Sen. Williams of Delaware. They view financed life insurance as a means of

## Guarantee Mutual Has Insurability Rider

Guarantee Mutual Life has adopted a rider giving the purchaser of a new policy the right to buy additional coverage in the future at standard rates and regardless of health, occupation, or geographic location.

Called the "insurability rider," it enables the insured to buy new insurance up to an amount equal to face value of the basic policy or \$10,000, whichever is less. Additional insurance must be purchased on the policy anniversaries nearest the 25th, 28th, 34th, 37th, or 40th birthdays. A maximum six option dates are available and therefore a maximum \$60,000 additional coverage can be purchased.

The rider is not available on term, juvenile estate builder, joint life contracts, or endowments maturing before age 40. The company issues the rider when the basic policy is purchased and on ages up through 37 years.

### Mass. Mutual Holds Agents School

Thirty-eight Massachusetts Mutual agents attended a 13-day school for career men at the home office. Class members delivered an average of \$224,701 per man during a 6-month qualifying period and had an average of 9½ months of field experience.

### Indiana Leaders To Meet In April

Indiana Leaders' Club will hold its annual 2-day meeting April 25-26 at Turkey Run state park. Opening day speaker will be Kenneth L. Anderson, managing editor, *Insurance R. & R.*, and four other speakers have also been scheduled.

avoiding taxes. Both men have inveighed against it in colorful, emotional language. It will be difficult to keep their arguments from prevailing unless Senators and Congressmen can be shown in a factually convincing way that no important amount of taxes is being avoided and that what avoidance there is is more than offset by taxes generated by the increased amounts of life insurance sold through financing. The Assn. of Advanced Life Underwriters is carrying the ball in this effort and it will have need for all the resourcefulness and diligence of its members.

**Major midwest company seeks experienced pension trust specialist capable of training agents, and preparing fully insured or combination presentations for actual cases. Key home office position, good salary for selected applicant. Excellent Home Office environment. Write Box Z-44, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.**

### GROUP CLAIM EXECUTIVE

ONE OF THE FASTEST-GROWING MEDIUM-SIZED LIFE COMPANIES HAS A CHALLENGING OPPORTUNITY FOR YOU IN ITS WELL-ESTABLISHED GROUP OPERATION IF YOU ARE AN EXPERIENCED CLAIM MAN HOLDING A RESPONSIBLE HOME OFFICE POSITION.

YOU SHOULD BE PARTICULARLY STRONG IN CLAIM METHODS AND PROCEDURES, WITH THE ABILITY TO GROW INTO THE TOP POSITION.

IF YOU FEEL YOU MEET THESE REQUIREMENTS SUBMIT A COMPLETE RESUME WITH A RECENT PHOTOGRAPH IN STRICT CONFIDENCE TO BOX Z-61 c/o THE NATIONAL UNDERWRITER CO.

175 W. JACKSON BLVD., CHICAGO 4, ILL.

## Denounce Move To Deny Bank-Loan Deductions

(CONTINUED FROM PAGE 1)

need of such credit to carry their insurance protection. Any legislation on this subject must be administratively feasible and any test of compliance should be objective and practicable. The Treasury proposal has no such objective test for compliance. Its application seems to depend on the intent of the purchaser to pay a substantial number of premiums from borrowed funds.

"At best, denial of interest deductions for any amounts borrowed is difficult of enforcement because it necessarily involves a test of intent which cannot be consistently applied. Thus the penalty would attach to some amounts borrowed to pay premiums, but not to others. No test is satisfactory unless it is at the same time objective and fair."

### Edelstein Testimony Of Interest

Some interesting sidelights on committee members' thinking on the bank-loan plan came out at the hearing of the Senate finance committee during the testimony of J. Milton Edelstein, Connecticut Mutual Life, Chicago, chairman of the legislative committee of Assn. of Advanced Life Underwriters, the organization that grew out of informal efforts to oppose the denying of the tax deduction on financed life policies.

Most of the questioning was done by Sen. Kerr of Oklahoma and Sen. Williams of Delaware. Williams read this statement, not attributed to any specific author, from the April, 1957, issue of the *Insurance Law Journal*, published by Commerce Clearing House. "I have seen a number of proposals of the plan and have yet to find a case where it was offered on the basis of an analysis of the prospect's needs. Always the plan was submitted as a tax avoidance device."

### Just Editorial Opinion

Mr. Edelstein replied that this was just an editorial opinion and that "I do not consider it a tax avoidance device."

Williams also quoted from a pamphlet put out by the Synnesvedt agency of Jenkintown, Pa.

"It has been proved possible for individuals or corporations to own life insurance under the direct-with-insurance-loan plan without any cost whatever if the policy is held for a sufficient length of time. The cash value of the contract increases and ultimately reaches the point where the owner may recover his initial outlay for the first annual premium and also the total net cost of his interest payments after tax credits."

Asked by Williams if this could happen under any circumstances, Mr. Edelstein agreed it was possible.

### Can Insurance Be Free?

"Under the existing law you think that it is possible for an insurance company to arrange a premium for a policy whereby the taxpayer could buy it and ultimately own it without any cost whatever?" Williams asked.

"That is true of policies, Senator, that have been issued for years and years, 10 payment, 20 payment life contract, all at the reasonably lower ages. By that I mean under age 50, and they will recover 100% of the cash value by the terminal point of the policy, indicating, then, that the insurance per se, if you wish to cash it, would cost you nothing."

"I am not speaking of it from that

angle, and I don't think they were either. They were speaking from the angle that it was possible for a man to purchase it and to own it, and carry it without any cost whatever."

"Without liquidating the contract, sir?"

"No, by carrying the contract."

"Yes, but he must liquidate."

"Ultimately, yes."

### Has To Cost Something

"Whenever you add something to the cost," said Mr. Edelstein, "you must—there is no 100% tax bracket, therefore, if a man were even in a 90% tax bracket, it must cost him 10 cents on the dollar for the interest, over and above the premium charge. The premium must be paid by someone. It is a fallacy, sir, if you believe that the premium is never paid. It is either paid by the individual during his life or it is taken from the proceeds at death, but it must be paid."

"That is true, but this is built up on the basis that the individual would be in an upper tax bracket, and that on the loan plan, the interest would be a deduction from his personal taxation."

"But it still represents a cost, as long as we don't have a 100% tax bracket."

"That is true, but allow me to finish. But by taking that deduction on individual tax return, and converting the money over into the insurance fund where the tax rate is substantially lower, he can build up a credit which, over a period of time, does not cost him anything."

"If he does not convert anything, sir," said Mr. Edelstein. "May I take you through a case?"

"A man purchases a life insurance policy. Now, he is going to borrow against the cash value of that policy. We will just use that as an example. Until such time as the cash value of that policy equals the sum total of the premiums paid out—and if I might use a 20-payment life contract to exemplify it—during the 20 years the cash value ultimately equals the 20 payments. He borrows those payments as he goes along. Now if he were to liquidate the contract at the end of 20 years, and he got the money back, by getting his money back, he is merely paying off the loan."

"You mean he gets his note back?"

### But He Has Paid

"He merely gets his note back, but in the meantime, he has paid money all these years which has increased his cost, and it doesn't matter what tax bracket he is in."

Later the quotation from the *Insurance Law Journal* was identified as being from an article by Hal Van Cleve, Massachusetts Mutual Life, Los Angeles.

At one point in the hearing the question dealt with whether financed life insurance is a means of taking

### Honor Holz As He Leaves

#### N. Y. Department Post

Leffert Holz, whose resignation as insurance superintendent of New York is effective this week, was honored at a dinner at the Astor in New York City Wednesday by his associates in the department and representatives of the business. More than 300 attended, including Julius Winkler, his successor. Robert J. Malang, deputy superintendent, acted as toastmaster.

advantage of a technicality in the law. Sen. Williams said one company advises prospective bank-loan buyers against it on the ground that there is a technicality in the law which would perhaps be "corrected" and hence the plan would be a poor buy. Mr. Edelstein denied any technicality.

"I would like to ask the witness this," said Sen. Kerr. "A policyholder who you have said follows this plan is not operating under the general provision of the law?"

"That is correct," said Mr. Edelstein.

"That is true," Sen. Williams interposed. "But they (the company) were pointing out to them that the law perhaps would be amended whereby this would no longer be possible and then the policyholders might have life insurance policies that might not be as advantageous as some others."

### Advising Of Possible Legislation

"Aren't they merely advising clients that they fear there might be legislation in a direction which would impair the insurance they already own?" Mr. Edelstein asked. Sen. Williams agreed this was so.

"The only suggestion they could possibly make to the prospective policyholder would be that Congress might pass a law which would deny a citizen a right he now has to deduct from the amount of taxes he now has on income that amount that he had paid interest with as to this specific purpose," Sen. Kerr pointed out. "A similar situation would arise if we were to consider the passage of an act which would say that a man would not be permitted to deduct as an expense the interest he paid on any loan that he contracted to buy stock on which he subsequently made a profit, or that he would not be permitted to deduct interest on a loan he contracted if he used it to buy a leasehold estate in a piece of real estate and subsequently made a profit."

### Want To Change Deductibility

"The thing the Treasury proposes, as I understand it, is to change the basic law of deductibility of interest payment as an expense against income, if the taxpayer used the proceeds of that loan or the effect of that loan to acquire the life insurance estate."

"That is right; a subjective rule of intent, pure and simple," said Mr. Edelstein.

"And if the intent is for any purpose other than to purchase life insurance, then it is perfectly all right to deduct interest."

"Or if the original intent was for some other purpose than life insurance, but by reason of changing either one of these positions he got to the point where he had to borrow money, and the life insurance policy was the only thing he had to borrow it on, then he would be put in the position of not being able to deduct the interest from that," Sen. Kerr added.

### Can't Deduct Interest

"That is right, as long as he continued to do it in a systematic way, as long as he found himself unable, after taxes, to pay back the loan and thereafter continued a borrowing procedure," Mr. Edelstein agreed.

Sen. Williams commented that Dan Throop Smith, deputy to the Secretary of the Treasury, had testified

## Assets Of Union Mutual Pass \$100 Million Mark

Union Mutual's assets passed the \$100 million mark in February. Its assets rose from \$44,861,198 at the end of 1947 to \$91,446,948 at the end of 1957. The increase included a \$7,237,938 gain last year.

The company has invested \$20 million of the assets in Maine. It has put \$2,186,928 into home office properties and holds \$1.5 million in securities of Maine corporations or in firms with Maine holdings. Investments in Maine mortgages total \$16 million. Maine real estate held for income purposes comes to \$400,000.

## Ernst Addresses Joint Meeting Of Wis. Assns.

Carl A. Ernst, vice-president of A&S of North American L&C., addressed a joint meeting of Madison and Southwestern Wisconsin A&H Underwriters Assns. and Madison Life Underwriters Assn. at Madison. He spoke on "The Loss of Our Earning Power."

The first annual "freshmen five awards" will be presented to the five agents of **Massachusetts Mutual** who completed their initial contract years during 1957 and who led other eligibles in a combination of volume, first-year commissions and insured lives. The recipients are Joseph E. Rock, Boston; Trevor D. Weiss, Chicago; Philip G. Gallant, Spokane; Charles E. Mitchell, El Paso, and Graham H. Blake, Barre, Vt. The awards will be presented May 19 at Hollywood Beach, Fla., at the Leader's Club conference. None of the winners had ever sold insurance before joining **Massachusetts Mutual**. Their combined totals were \$4,130,000 in volume, \$42,800 in commissions and 390 lives. Each won a designation as "first-year man of the month" in 1957.

earlier he submitted language that protects the taxpayer while still "closing the loophole" and "I assume he would have no objection if we could protect the type of a case that you have described."

"I would object," said Mr. Edelstein, "because there is no loophole, there is no tax avoidance at all."

Mr. Edelstein emphasized that under the plan proposed by the Treasury it would be up to the subjective judgment of an Internal Revenue representative to say whether a taxpayer's borrowings were in accordance with a systematic plan or were not.

"He could very well hold," said Mr. Edelstein, "that the fact that he did not borrow at the beginning but began to borrow at the end of five years would not change it from a systematic procedure. It would be a very difficult thing for me to say that I would be willing to pay the premiums for perhaps four years and borrow thereafter under a systematic plan, and how could they prove that I didn't start to do that in the first instance?"

"But what is most important, and I think that the point that you gentlemen and the Senator from Oklahoma just brought out so very, very ably, is that this is a denial of a right which applies to any deduction no matter what the equity is, no matter what the use of right to borrow money against the collateral value of life insurance or anything else and pay the proceeds over to a life insurance company. What is the difference whether you deny that right of deduction for that purpose as against any other?"

"If we are going to make it broad, then let's deny the interest deduction for any purpose whatsoever."

**1957**

Provident Mutual  
Life Insurance Company of Philadelphia

**Worth a second look**

NINETEEN FIFTY-SEVEN was an outstanding year for Provident Mutual. The volume of life insurance in force exceeded two billion dollars for the first time—having increased from \$1,820,760,000 at the end of the year 1956 to \$2,102,802,000 at the end of 1957.

But the true significance of the year is only apparent when you look *behind* the figures—to the sweeping changes effected by the Company late in 1957. These innovations include such developments as quantity discount on policies over \$4,000; a general reduction in standard premium rates; the introduction of major medical coverage in the areas of Individual and Group insurance; and many liberalizations. They also include the introduction of life, accident and health insurance for small groups of employees and expansion of standard Group coverages.

To the insuring public, these new developments mean opportunities to purchase broader coverages at lower cost. To the Company, they mean new horizons of growth and service, geared to modern insurance practices and needs. Based on extensive study of today's insurance markets, they are designed to meet the challenge of changing economic trends and conditions.

Even more, they reflect Provident Mutual's determination to continue to grow dynamically—to bring the best in sound planning and programming to policyowners everywhere. Your "second look" at Provident Mutual reveals a Company looking not back at 93 years of productive history, but looking *forward* to new and rewarding areas of protection and progress.

## Provident Mutual

Life Insurance Company of Philadelphia

62nd

Se

B.

WA  
Senat  
with  
even  
sury  
but o  
Aft  
their  
kiss-o  
the m  
passed  
howe  
The  
law a  
had  
would  
effect  
have  
incom  
under

The  
of Ne  
Doug  
Delaw  
rest a  
to 19.  
Stat

LIA

Ask

Bar

WA  
brief  
Assn.  
States  
Comm  
Stern  
ernme  
for in  
suran  
his de

The  
Court  
cuit c  
ment  
ceeds  
the b  
nor it

The  
the de  
of the  
cash s  
ed fro

LIA  
to ch  
prope  
eficia  
could  
er ar

The  
of sta  
contra  
rights  
ernme  
wheth  
truste  
ing t  
"Ur  
suran  
ment